



Peru-Canada Trade Report

February 2020

PCCC Task Force

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Overall Market Landscape

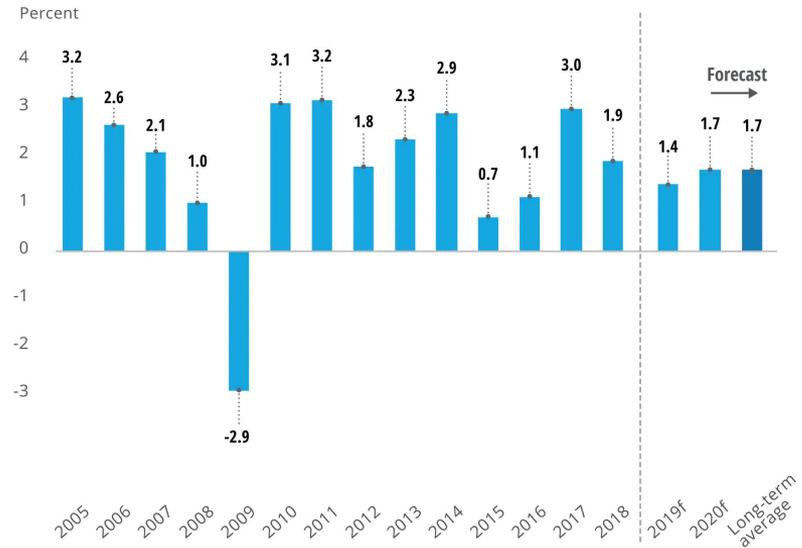
Canada-Peru Bilateral Trade



Overall Market Trends: Canada

- The Canadian economy is projected to grow by 2 per cent in 2019. However, growth is expected to slow to below 2 per cent beginning in 2020.
- Strong U.S. economy will pressure the Canadian dollar. Overall, the loonie is likely to trade within a range of 75 to 80 cents against the U.S. dollar in 2019.
- Two major trends: people and technology
 - 39% of Canadian SMEs are struggling to find the people they need to grow.
 - Only 19% of Canadian SMEs are digitally advanced.

Canadian economic outlook (real GDP)



Source: Statistics Canada. Forecast by Deloitte Economic Advisory, as of July 2019.



PESTLE Summary: Canada

- Liberals governing since 2015, Trudeau trying to sustain economic growth through reforms: tax, labor and expansionary fiscal policy
- Robust macroeconomics and strong banking system, but highly dependable on the US economy, strong trade and financial links. US policies focused on domestic protectionism.
- Liberal immigration policies, but immigration is uneven across provinces and aging population is a concern for country's competitiveness and economic productivity
- Canada faces an innovation gap as its R&D expenditure as percentage of GDP hasn't increased in recent years despite R&D tax incentives
- Canada has a relatively low corporate tax rate compared to other developed nations, which is an incentive for foreign investors to establish businesses.
- Due to the lack of coordination and common consensus between the federal and provincial administrations, the reduction of emissions and the sustainable management of natural resources and biodiversity remain major challenges.
- Major events in 2019: USMCA to be ratified, Federal election in October 2019



Overall Market Trends: Peru

- Over the past decade, Peru has been one of the region's fastest-growing economies, with an average growth rate 6 percent in a context of low inflation (averaging 2.9%).
- The Peruvian economy, which is the seventh largest in Latin America, has experienced a structural change in the past three decades.
- Currently, the services sector is the main contributor to the country's GDP, with nearly 60% of GDP stemming from this sector. Telecommunications and financial services are the main branches of the services sector; together they account for nearly 40% of GDP.
- The central government has initiated plans for Public-Private Partnership infrastructure projects and announced an updated catalog of 51 projects valued at \$ 9.2 billion, to be realized between 2019 and 2022.
- At 25.7% (11.4%) of GDP, Peru's gross (net) public debt remains one of the lowest in the region.
- The fiscal consolidation process will likely reduce public debt to around 1 percent of GDP by 2021.



PESTLE Summary: Peru

- President elected in 2016 won by a small margin, but resigned in 2018 after vote-buying scandals
- GDP growth rate declining in last years due to fall in international commodity prices. The Peruvian economy is highly dependent on the mineral export market.
- The country has focused on economic reforms and free market policies to boost investments
- Country's population is predominantly young (66% of population between 15-64 years old)
- Large Income gap, and uneven distribution between urban and rural areas
- Large mobile penetration and mobile subscribers growing fast in last decade
- From 2014 to 2017, Peru suffered its worst floods and landslides in recent history which led to delays in large infrastructure projects
- Peruvian informal economy is 19% of GDP(Estimated at USD 40.11 billion), one of the highest in Latin America, significantly higher than the region average of 13.5%
- 59% of total Non- Agricultural Employment comes from Informal Economy
- Major events in 2019: Peruvian government passed a law to close loopholes for companies who avoid paying taxes, Opening of military bases to stop illegal mining

Trade Highlights

CANADA



Capital city: Ottawa

Government type: Parliamentary democracy, federation and constitutional monarchy

Population: 37m

GDP per capita (PPP): \$49.8k

GDP growth rate (forecast): 2018: 2.20%, 2019: 2.02%, 2020: 1.82%, 2021: 1.60%, 2022: 1.80%

Exports: Motor vehicles and parts, industrial machinery, aircraft, telecommunications equipment, chemicals, plastics, fertilizers, wood pulp, timber, crude petroleum, natural gas, electricity, aluminum

Imports: Machinery and equipment, motor vehicles and parts, crude oil, chemicals, electricity, and durable consumer goods.

Other highlights: 2nd largest country in the world (geographic size), 4th crude oil exporter in 2018, 4th largest producer of natural gas in 2018

PERU



Capital city: Lima

Government type: Constitutional republic

Population: 32m

GDP per capita (PPP): \$14.3k

GDP growth rate (forecast): 2018: 3.99%, 2019: 2.6%, 2020: 3.62%, 2021: 4%

Exports: Copper, gold, lead, zinc, tin, iron ore, molybdenum, silver, crude petroleum and petroleum products, natural gas, coffee, asparagus, and other vegetables, fruit, apparel and textiles, fishmeal, fish, chemicals, fabricated metal products and machinery, alloys

Imports: Petroleum and petroleum products, chemicals, plastics, machinery, vehicles, color TV sets, power shovels, front-end-loaders, telephones and telecommunication equipment, iron and steel, wheat.

Other highlights: 6th largest producer of gold in the World, highest birth rate in Latin America, 2nd largest producer of copper in the world

Bilateral Trade



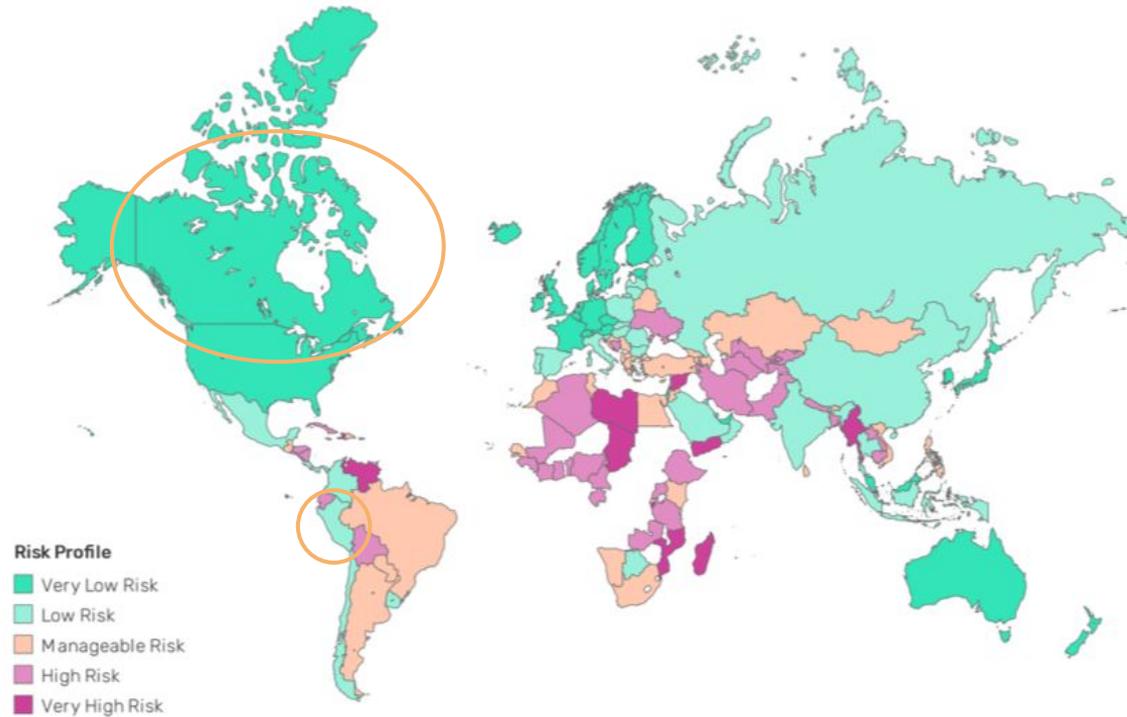
TOP PRODUCTS FROM CANADA TO PERU (2018):

- Cereals: \$319m
- Nuclear reactors, boilers, machinery: \$75m
- Vegetables and certain roots and tubers: \$26m
- Electrical machinery and equipment: \$23m
- Paper and paperboard, articles of paper pulp: \$22m

TOP EXPORTS FROM PERU TO CANADA (2018):

- Natural, cultured pearls, precious stones, precious metals: \$363m
- Ores, slag and ash: \$257m
- Fruit and nuts: \$136m
- Coffee, tea, mate and spices: \$55m
- Animal or vegetable fats and oils: \$54m
- Apparel and clothing accessories: \$35m

Canada & Peru are both low-risk countries



Peru's main risks come from its political, legal, and built environments

- Canada is a global leader when it comes to risk management due to its strong overall performance in all pillars measured
- Peru is a leader in the Americas, ranked 8th out of 25 countries for low risk
- Peru has a higher than average risk rate in the political, legal and technology & infrastructure pillars

Pillars	Canada	Peru	World Average
<i>Macroeconomic risks</i>	24.3	34.6	44.7
<i>Political environment</i>	11.9	42.3	41.1
<i>Legal environment</i>	13.8	47.8	41.4
<i>Demographic and social structure effectiveness</i>	22.4	30.5	32.4
<i>Technology and infrastructure</i>	21.8	45.4	40.4
<i>Environment</i>	10.0	31.7	32.4
<i>Overall Score</i>	20.9	37.4	41.2
<i>Regional Rank (Americas)</i>	2	8	
<i>Global Rank</i>	8	55	

Ease of Doing Business Rankings

23th

76th

Canada scored a 79.6 out of 100 on the
Ease of Doing Business index...

...while Peru scored a 68.7 out of 100

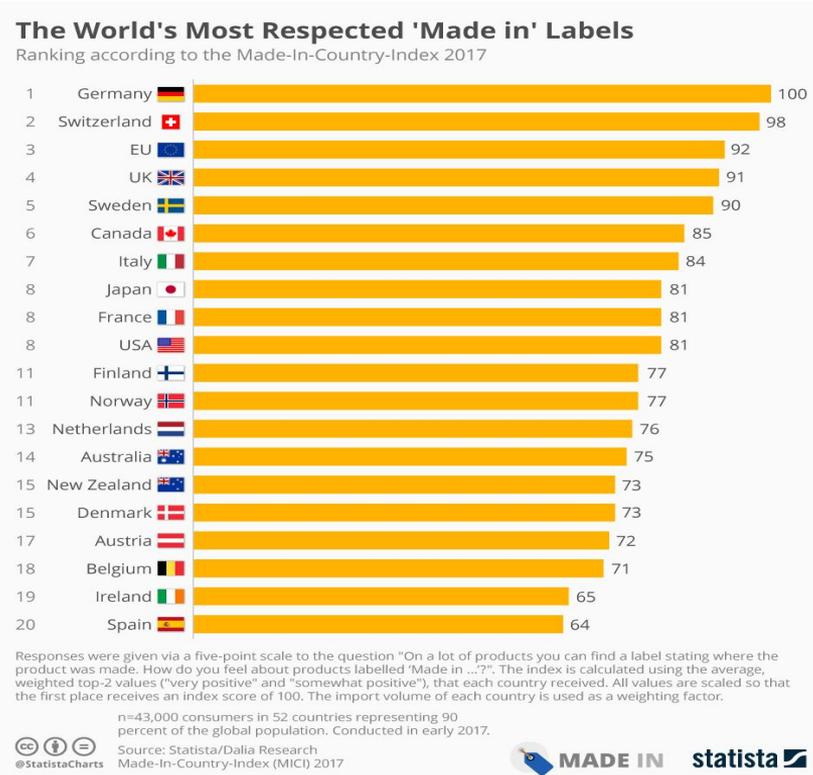
Products of Canadian origin are fairly respected by Peruvians

42%

Peruvian perception of products
made in Canada (2017)

Statista's Made-In-Country-Index (2017) shows the percentage of respondents who felt "slightly positive" and "very positive" about products labeled with "Made in Canada"

Goods of Canadian origin are among the world's most respected products



Source: Statista [Made-In-Country-Index](https://www-statista-com.translate.googl/made-in-country-index?_gl=1) (MICI), 2017.

https://infographic.statista.com/normal/chartoftheday_8654_the_world_s_most_respected_made_in_labels_n.jpg

Products of Peruvian origin are not very well-perceived by Canadians

22%

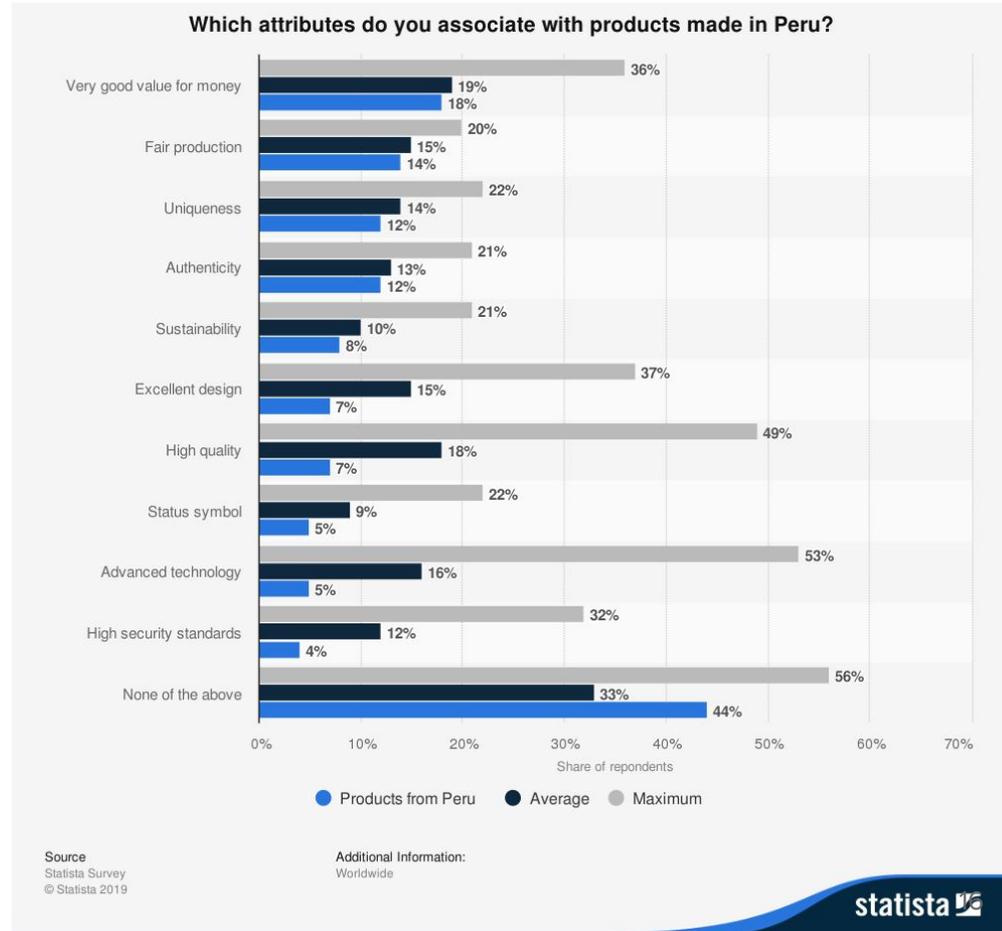
Canadian perception of products
made in Peru (2017)

Statista's Made-In-Country-Index (2017) shows the percentage of respondents who felt "slightly positive" and "very positive" about products labeled with "Made in Peru"

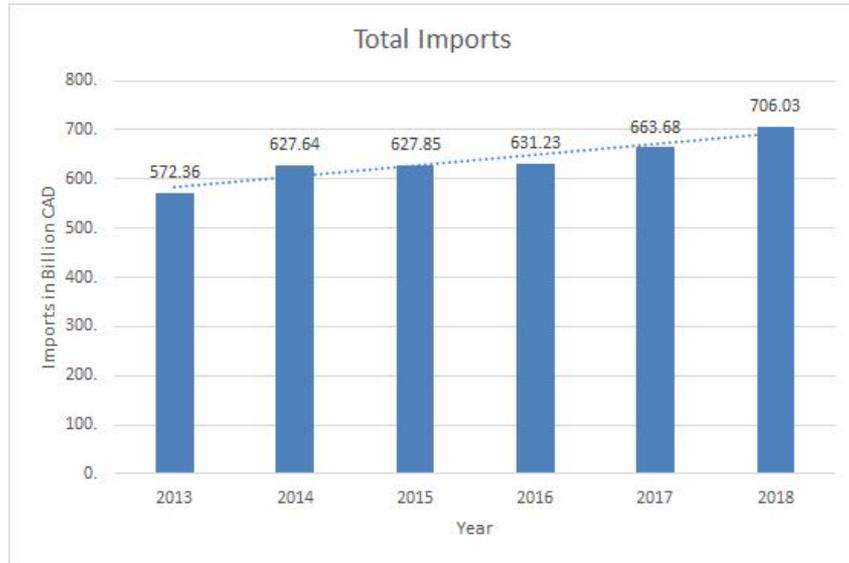
Peruvian products are seen as offering good value for money

Peruvian products are in line with products of other countries of origin for attributes like value for money, fair production, uniqueness, and authenticity.

Peruvian products ranked lower than average for attributes like design, quality, status, technology, and high security standards.



Import/Export



Total Canadian imports have increased at CAGR of 4.3% over the last 5 year period. However, over the same period Peruvian imports to Canada have declined at a CAGR of -18.9%

Free Trade Agreements: CPFTA

- The **Canada-Peru Free Trade Agreement (CPFTA)** is in force since August 2009.
 - The trade agreement is based on tariffs of both countries products and services and it covers a lot of sectors.
 - Parallel accords on the environment and labour cooperation are also in force.
 - As for the Canada- Peru Free Trade Agreement, business persons will be allowed to enter both countries on a reciprocal basis, as a temporary entry based on the immigration rules of each country.
- The definitions of the individuals allowed are: business person; contact service supplier; executive; independent professional; labour dispute; management trainee; manager; professional; specialist; technician; temporary entry.
- Detailed information on list of professionals exempted from available [here](#).

Free Trade Agreements: CTPPP

- The **Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)** is a new free trade agreement between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, **Peru**, Singapore and Vietnam
 - Once ratified it will help eliminate tariff across 99% of tariff lines of Canada's exports to CTPPP countries
 - CTPPP recognizes Small and Medium enterprises (SME's) and their role in international trade by including a information of services specifically tailored for their use
 - The benefits include better dispute management for enterprises , a level playing field with enforceable rules against state owned entities and investment protection measures.
- More detailed information available [here](#).

Tariffs

To find out more about import and export tariffs on goods, use the [Canadian Tariff Finder](#) according to the product of your interest:

Find tariff information

You are:

Exporting Importing

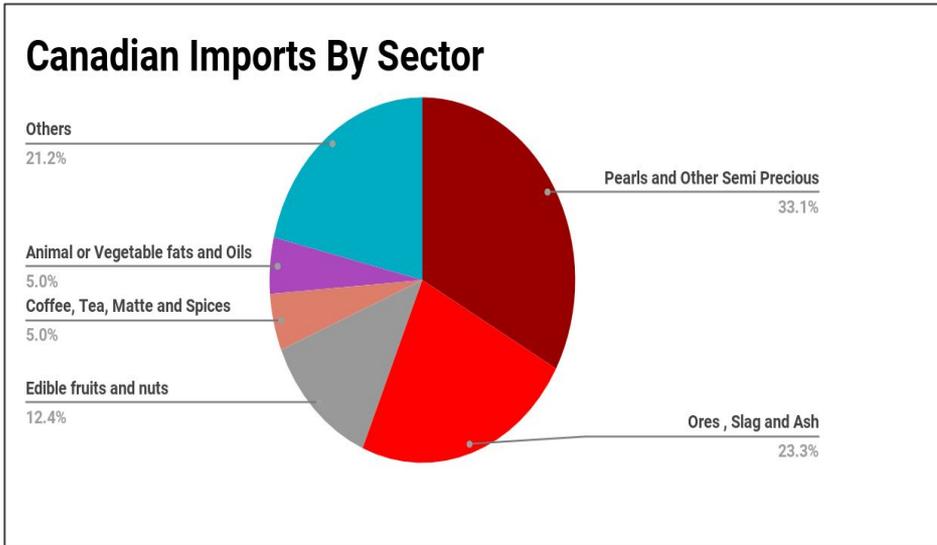
From Canada to:

 Peru (CPFTA) ▾

Describe the product:

Enter the HS code or keyword(s) describing the product ([more info](#))

Canadian Imports from Peru



USD \$
362,228K

Pearls and Other Semi-Precious Stones is by far the largest sector of Peruvian good imported by Canada. Accounting for a trade of USD \$362,228 Thousand.

USD \$
255,513K

Ores and Slags is the second largest peruvian import with an estimated value of USD \$255,513 Thousand.

USD \$
135,434K

Edible fruits like ,fresh strawberries, raspberries grapes etc, account for this sector contributing USD \$135,434 Thousand to the bilateral trade

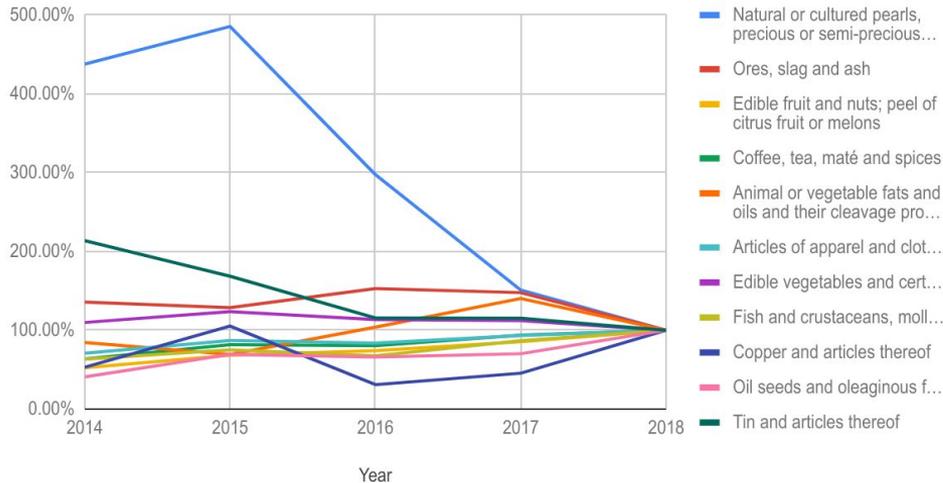
Largest decline in Canadian imports from Peru is the semi-precious stones with a 36% decline in the period 2014-18. This fall is primarily due to a fall in import of gold₂₁ and other imitation jewelry.

Break up of materials imported from Peru in 2018

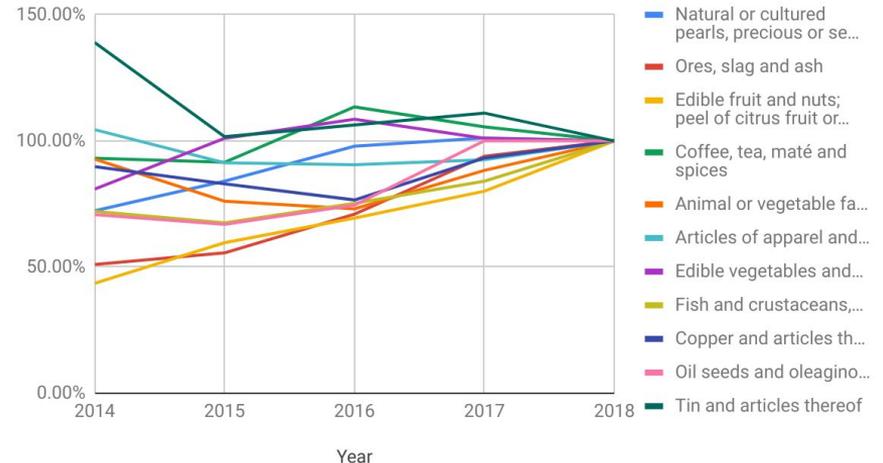


Trends for Canada's import from Peru and global export by Peru (2014-2018) for same industries

Canada's import from Peru from 2014 to 2018

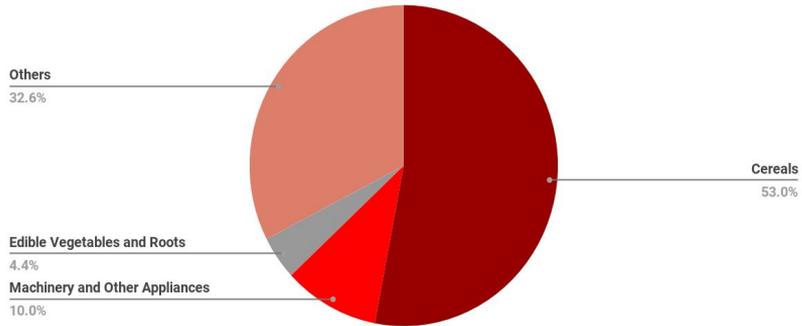


Peru's export globally from 2014 to 2018



Peru Imports from Canada

Peru Imports by Sector



Cereals are the largest import good by value with wheat and oats being the largest contributors



Machinery and Mechanical Appliances are the second largest group of Canadian goods imported by Peru

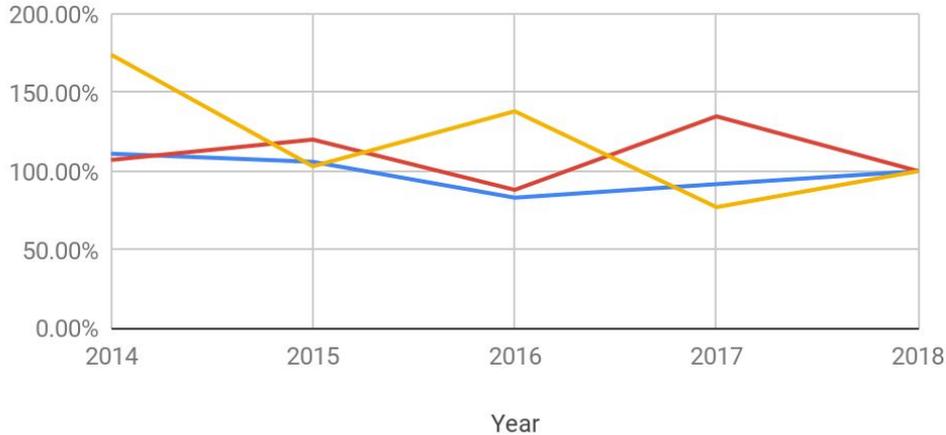


Dried legumes (Skinned or unskinned) account for the third largest individual contributing group to Peruvian imports

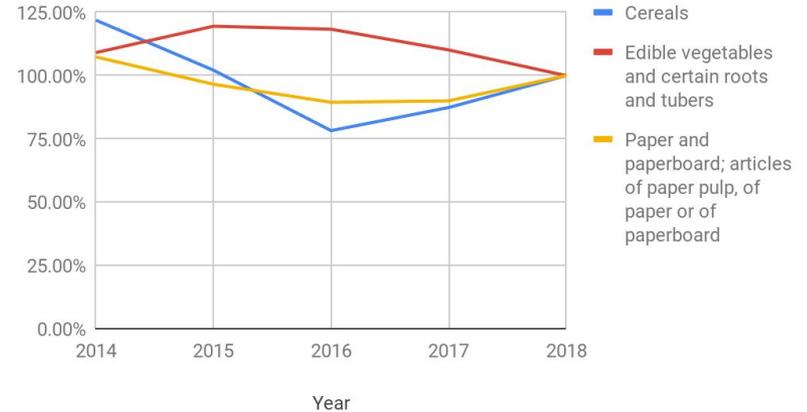
Largest decline in Peruvian imports from Canada is the the fall of cereals and certain seeds with both sectors showing a 5% decline within the period of 2014-18

Trends for Peru's import from Canada and global export by Canada (2014-2018) for same industries

Canada's export to Peru from 2014 to 2018



Canada's global export from 2014 to 2018



Industries to Watch

- Medical Cannabis

- <https://www.reuters.com/article/us-colombia-marijuana/facing-stiff-competition-will-colombias-marijuana-industry-go-up-in-smoke-idUSKBN1WM1KG>

- FinTech:

- <https://www.fintech.pe/fintech>
- <http://limafintechforum.com/en/>
- <https://www.fintechsummitlatam.com/>
- <https://latinfintech.com/>
- <https://fintechperu.com/>
- <https://ruta-startup.com/5-reasons-2019-is-perus-breakout-year-in-fintech/>
- <https://www.finnovating.com/news/mapa-fintech-peru/>
- <https://www.fintechfutures.com/tag/peru/>
- <https://www.bizlatinhub.com/overview-and-opportunities-for-fintech-companies-in-peru/>

Key Sources & Useful Links

- "Doing Business in Toronto (Ontario) and Peru" [webpage](#) prepared by the Consulate General of Peru in Toronto (2019)
- MarketLine, Country profiles:
<https://www.marketline.com/>
- UN Comtrade Database:
<https://comtrade.un.org/data>
- Canada's State of Trade Report 2019 - [link](#)
- [Peru country factsheet](#)
- [Peru CPTPP factsheet](#)
- [Canada Peru Free Trade Agreement](#)
- [CIA World Factbook Web Site - Peru](#)
(political, economical, geographic data)
- [Peruvian Central Bank](#) (Banco Central de Reserva del Peru) - Economic indicators and statistics
- [Ministry of Foreign Affairs - Peru](#) - Business and investment guides
- [Promperu](#) - Peruvian export and tourism promotion agency (Spanish only)

Key Industries

Canada-Peru Bilateral Trade

Key Industries

Canada-Peru Bilateral Trade

- Infrastructure
- Agro-industry
- Mining & Oil
- Alcoholic Beverages

Infrastructure Industry Highlights: Peru

- Recently, Peru has established a Pro Investment Agency (ProInversion), which is seeking to fill the gap of Infrastructure projects in the country.
- The infrastructure gap from now, 2019, until 2025 will be approximately of \$160bn.
- This is one of the main reasons why the government created the private investment promotion agency and will be more active of PPPs, focusing on structuring the projects faster, with transparency and efficiently.
- The government made 51 new projects in Infrastructure Public-Private Partnership to be active until 2022.
- The priority of the infrastructure projects are focused on transport: road, rail, port and airport.
- The reason of the transport focus is because the logistics in Latin America is in need to develop for the integration of the Asia-Pacific region and in need of developing more competitiveness with its neighbours

Bilateral Trade in Infrastructure

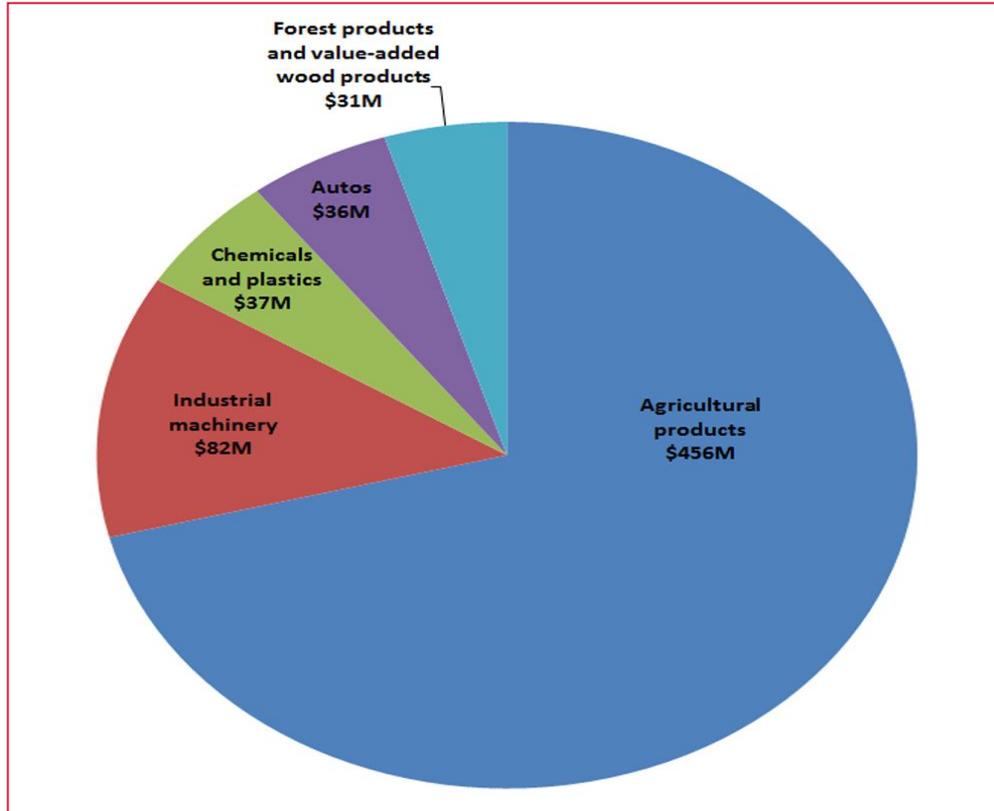


Industrial Machinery is one of the top trade products between both countries and has a key role in infrastructure developments.

As Peru's infrastructure has a gap and it does not have a modern industry, the Free-Trade agreement is useful for both of the countries.

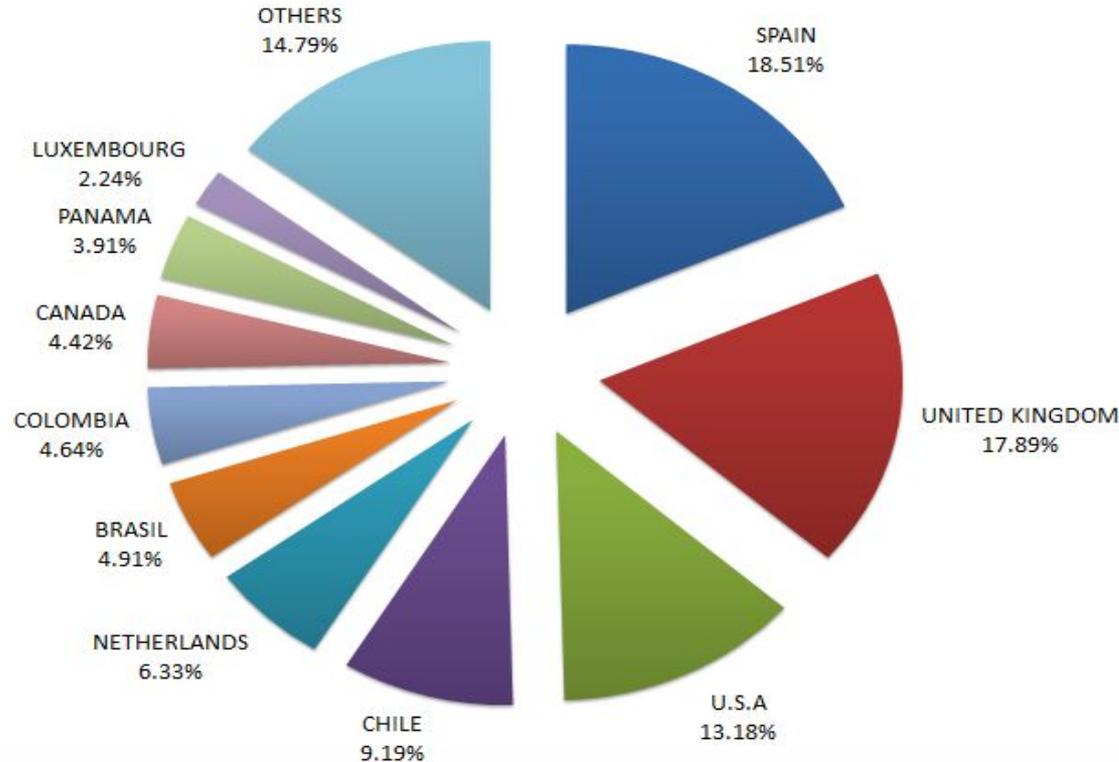
Peru can import and use the machinery that comes from Canada, a developed industry country, without extra tariffs and Canada can export to Peru as well as help to fill the infrastructure gap with Foreign Direct Investments and doing Public-Private Partnerships.

Industrial Machinery: 2nd Highest Trade Share



Industrial machinery takes about \$82M of trading share exportation between Canada and Peru. It is the second most trade flow by sector.

Canada Foreign Direct Investment in Peru



Canada is one of the biggest Foreign Direct Investors in Peru. It invests almost \$14Bi in Peru. It includes infrastructure projects, PPPs and other sectors investments. 86% of this investments go to the Infrastructure sector (Communications, Energy, Transport, Construction, etc)

Trade Agreements Impacting Infrastructure Trade: CPTPP

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPATPP) is a trade agreement between Canada-Peru and 8 more countries.



It will represent when fully established 495 million consumers and 13.5% of global GDP.

It will help Peru to have free market access to North America, Asia and strength relationships with other Latin American Countries. It will also provide modernized trade rules and give exporters more flexibility between members.

The CPTPP also provides more flow between financial and legal services providing more transparency and confidence between investors. Members will also be helped with the immigration process, the workers will have easier access between countries to do business or services. It is important for infrastructure because it helps investors with the financial and legal modernization part.

Trade Agreements Impacting Infrastructure Trade: Canada-Peru Free Trade Agreement

This agreement is a free trade agreement between both countries, which helps them to export and import a trade flow between them without any extra tariffs and duties.

It is the main reason why in the infrastructure sector, the machinery exports by Canada has a large share of the trade flow between the two countries.

The agreement also provides legal security to labour cooperation, which helps companies to provide services. This agreement is focused on trading, so it can be seen as another motivation to the companies that exports machineries to Canada to improve the relationships with Canadian infrastructure investors so the partnerships can be done all in the same investment or PPP. This this would make investment easier and and strengthen investors confidence in investing abroad in Peru.

Key Players in Infrastructure Industry: Peru

- ProInversion (Peru's private investment promotion agency)
- COSAPI
- Grana y Montero
- JJC
- Clinica Internacional
- Ferreyros
- Keller Holdings

ProInversion

[Website link](#)

SERVICES OFFERED:

- Promotion of Investments
- Contracts of Public-Private Partnerships
- Infrastructure Advisor
- Develop New Infrastructure Projects

KEY CONTACTS:

- **Diego Alejandro Arrieta Elguera (Executive Director)**
 - 200-1200 ext 1246
 - aarrieta@proinversion.gob.pe
- **Gustavo Ibarquen Chávarri (Portfolio Projects Director)**
 - 200-1200 ext 1263
 - gibarguen@proinversion.gob.pe
- **Cesar Penaranda (Investments Services Director)**
 - 200-1200 ext 1256
 - cpenaranda@proinversion.gob.pe
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 - masmussen@proinversion.gob.pe
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 - kgranda@proinversion.gob.pe
- **Anibal del Aguila (Projects Director - Energy)**
 - 200-1200 ext 1342
 - adelaguila@proinversion.gob.pe
- **Juan Pablo Vega (Projects Director - Sanitation)**
 - 200-1200
 - jmendez@proinversion.gob.pe
- **Niulza Shiroma Nakahodo (Projects Director - Construction)**
 - 200-1200 ext 1245
 - nshiroma@proinversion.gob.pe

Useful Links

- ProInversión seeks to close Peru's \$160bn infrastructure gap with PPP
<https://www.europeanceo.com/world-view/proinversion-seeks-to-close-perus-160bn-infras-structure-gap-with-ppp/>
- CPTPP Partners: Peru-Canada
<https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/countries-pays/peru-perou.aspx?lang=eng>
- [Canada Peru Free Trade Agreement](#)

Key Industries

Canada-Peru Bilateral Trade

- Infrastructure
- Agro-Industry
- Mining & Oil
- Alcoholic Beverages

Major Exported Agriculture Products

Canada's major exports to Peru

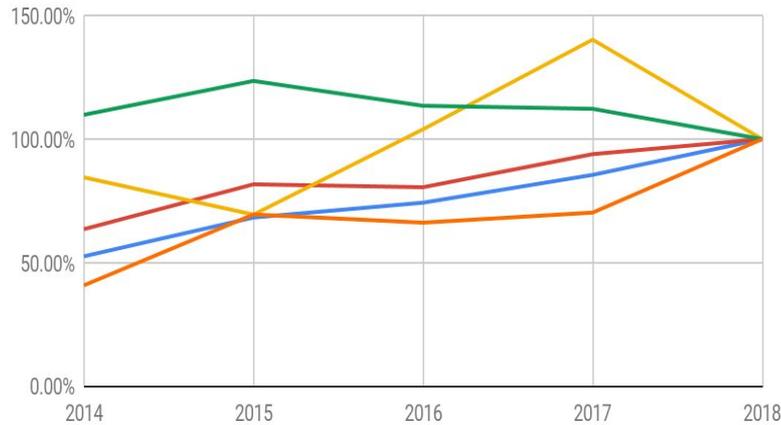
- Cereals - Wheat and Meslin, Buckwheat millet and canary seeds, Oats
- Edible Vegetables, certain roots and tubers - Dried Leguminous vegetables
- Paper, Paperboards and articles of Paper pulp
Newsprint, uncoated paper and paperboard

Peru's major exports to Canada

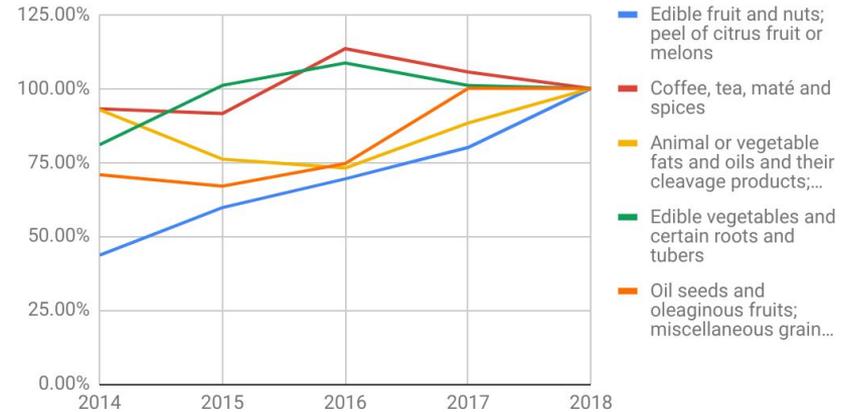
- Fruits and Nuts - Citrus fruit(fresh or dried), fresh berries, grapes (fresh or dried), Dates, figs pineapple, Banana
- Coffee tea, Mate and spices - Coffee, Ginger, Saffron, Turmeric, Bay leaves
- Animal or vegetable fat, oils and their cleavage products - Fats and oils and their fractions of fish or marine mammals
- Edible vegetables, certain roots and tubers
- Oil seeds and oleaginous foods - Other oil seeds, Locust bean, sea weeds and other algae, Perfumery or medicinal plants

Agriculture: Peru's Export to Canada in last 5 years

Peru's export to Canada from 2014 to 2018



Peru's global export for the same products between 2014-2018

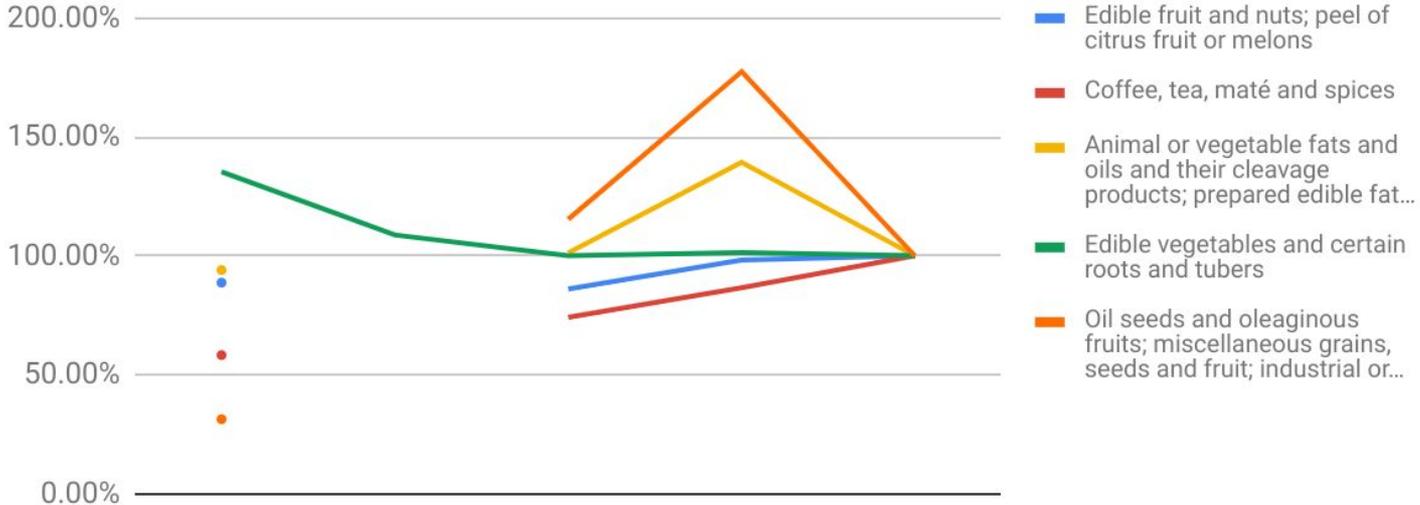


The total import from Peru to Canada has decreased from CAD 3.02B in 2014 to CAD 1.42B in 2018

Major agricultural products collectively were responsible for 22% of the total imports from Peru in 2018.(CAD 386M)

Agriculture: Peru's Export to Canada in last 5 years

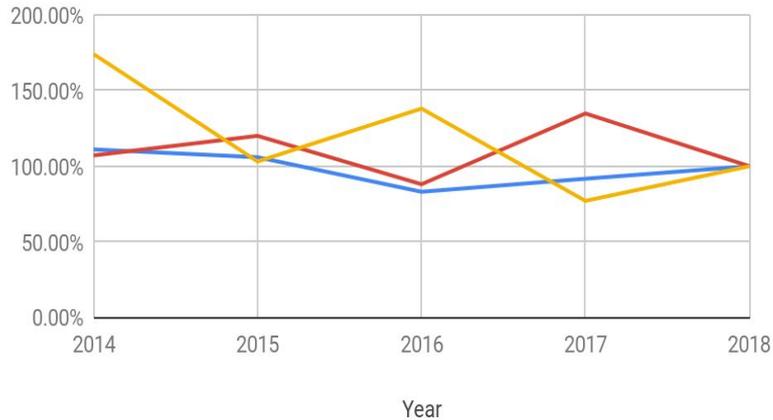
Peru's export to Canada (volume wise)



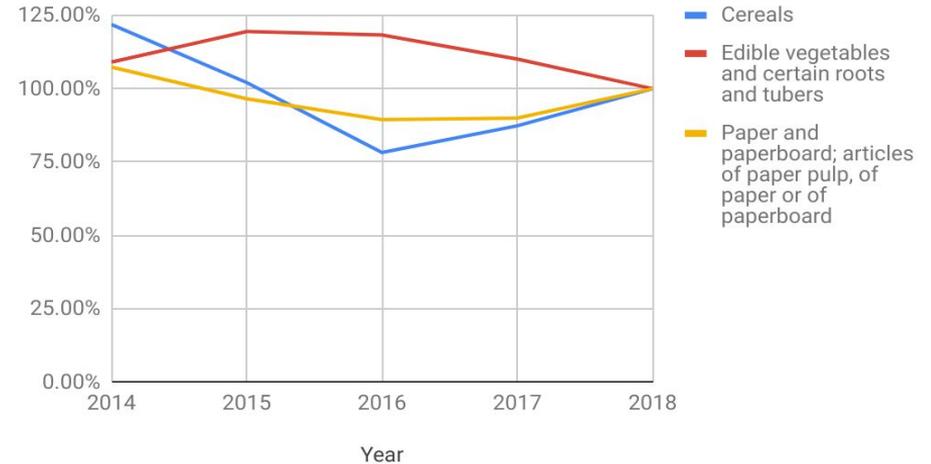
*Major product trends are used to represent the product type

Agriculture: Canada's Export to Peru in Last 5 Years

Canada's export to Peru from 2014 to 2018



Canada's global export from 2014 to 2018

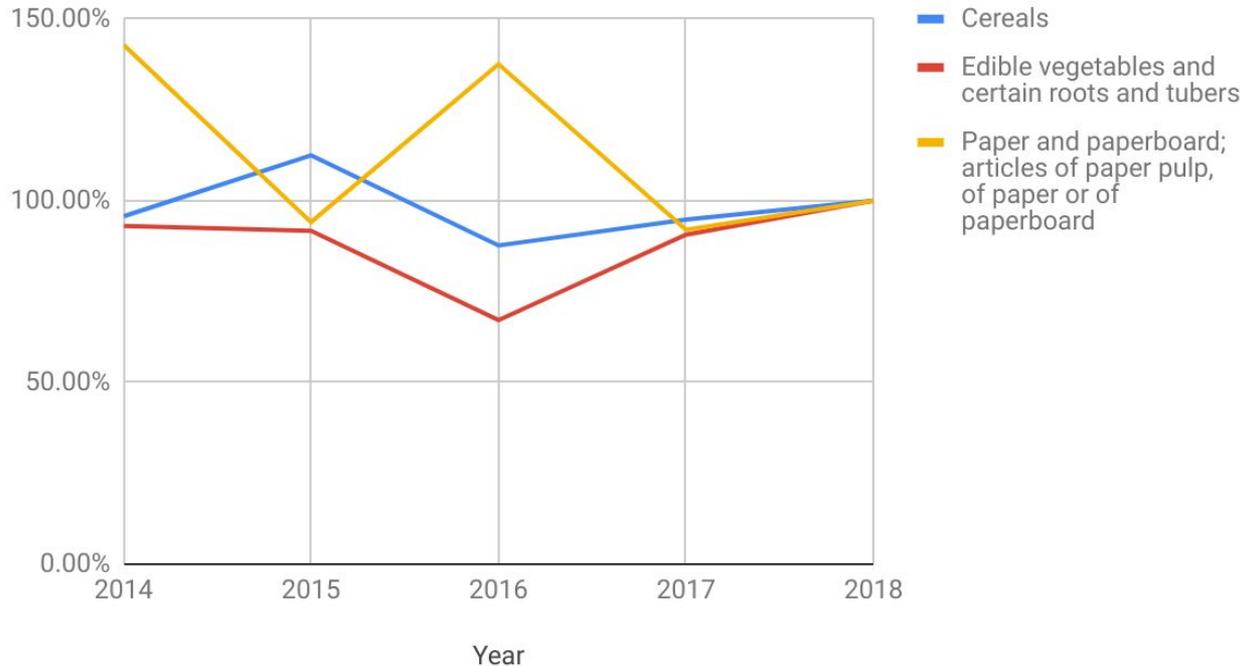


The total export from Canada to Peru has decreased from CAD 853M in 2014 to CAD 703M in 2018

Major agricultural products collectively contributed to 61% of the total exports to Peru in 2018.(CAD 431M)

Agriculture: Canada's Export to Peru in Last 5 Years

Canada's export to Peru (Volume wise)



*Major product trends are used to represent the product type

Major Players in Agriculture Industry

IN CANADA

- Viterra Inc.
- La Coop Fédérée de Québec.
- Agropur Cooperative
- Alliance Grain Traders
- Ridley Inc.
- Legumex Walker
- Ceres Global Ag
- Village Farms International
- Feronia Inc.
- Richardson

IN PERU

- Alicorp
- Camposol
- Sociedad Agricola Viru
- Gloria
- Danper Trujillo
- Complejo Agroindustrial Beta
- Gandules Inc
- Sunshine expert
- El Pedregal

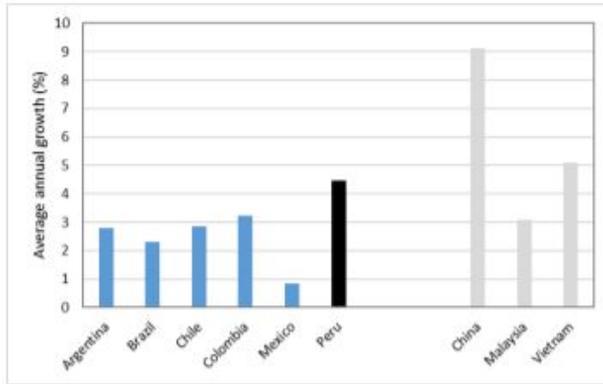
Market Trends

Agriculture

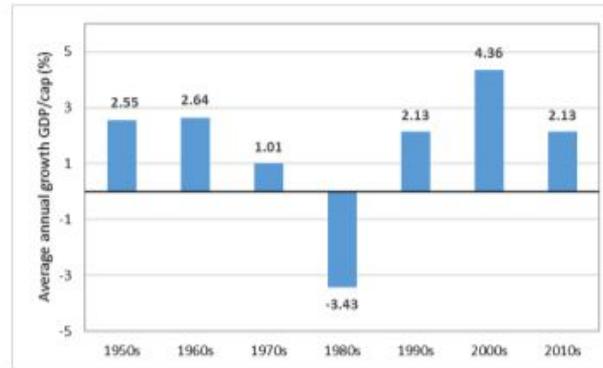
- Macro economic factors (Canada)
- Macro economic factors (Peru)
- PESTLE analysis (Canada)
- PESTLE analysis (Peru)
- Emerging trends for Agro-Industry (Canada)
- Emerging trends for Agro-Industry (Peru)

Peru: Macroeconomic Factors

GDP Growth



(a) Average annual GDP growth, 2000-2015



(b) Growth in GDP/capita, Peru, by decade

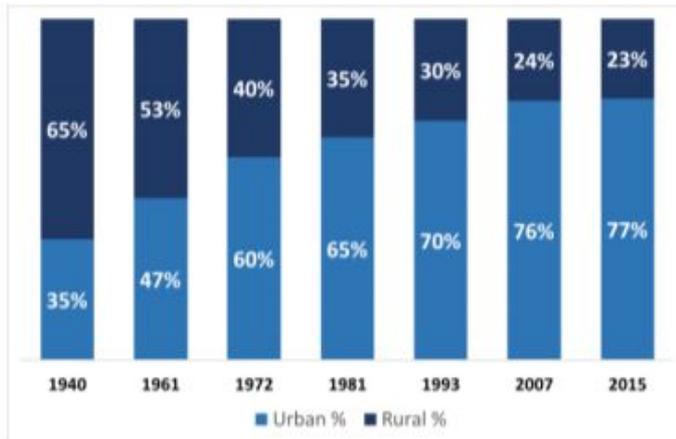
Source: World Bank, 2016

From 2000 to 2014, growth averaged 5.3 percent per year, despite a weak external environment and a financial crisis in 2009 during which the economy continued to expand. During that period, per capita income doubled in real terms, enabling Peru to achieve high middle income status in 2008

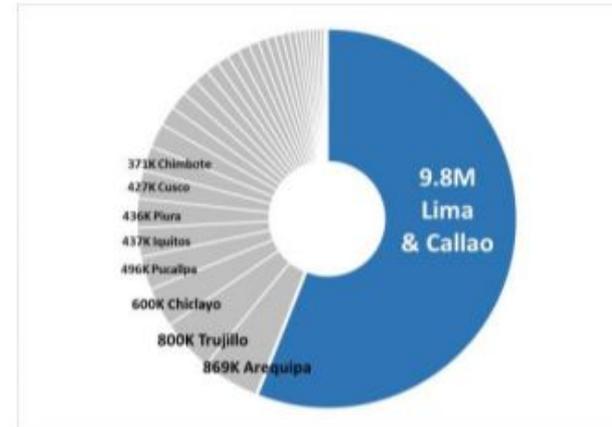
Peru: Macroeconomic Factors

Strong domestic consumption driven by atypically rapid urbanisation

Strong domestic consumption fueled by a young and rapidly growing urban population has contributed importantly to economic growth. Peru is urbanizing rapidly, and during recent decades millions of people have migrated from rural areas to cities.



(a) Rural vs urban population, 1940-2015



(b) Distribution of urban population, 2015

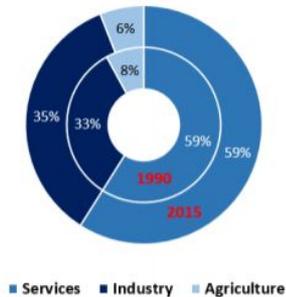
Source: ENAHO

Peru: Macroeconomic Factors

Agricultural export on the rise despite of reduction in total employment in the sector

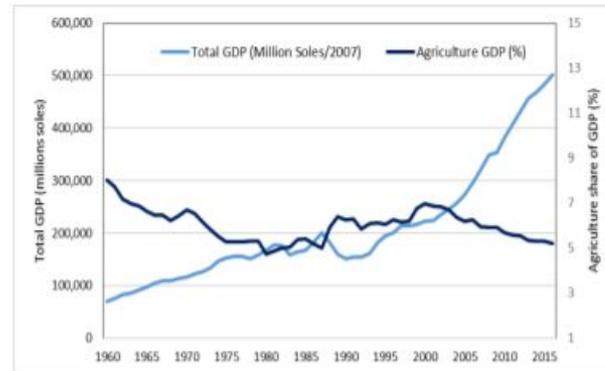
Growth in Peru has been accompanied by structural transformation, as evidenced by relative declines in the share of agriculture in the overall economy and in the share of agricultural workers in total employment. But this pattern is inconsistent compared to peers in certain aspects:

- Reduction % in the agricultural employment has been much slower.
- From 2000-2015, agriculture GDP growth in Peru averaged 3.3 percent per year, higher than in regional and structural peers
- The share of agriculture and food exports expressed as a percentage of total GDP rose from 1.6 percent in 1998 to 3.2 percent in 2014, driven mainly by growth in exports of non-traditional products.

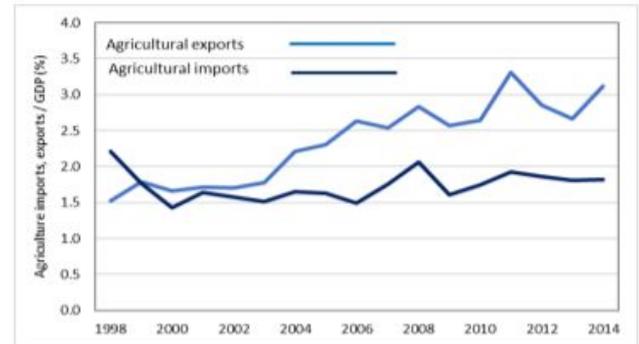


(b) Structural change, 1990 vs 2015

Source: Central Reserve Bank of Peru



(a) Agriculture GDP as share of total GDP, 1960-2015



(a) Agricultural imports and exports, 1998-2014

Source: FAO 49

Peru: Macroeconomic Factors

Changes in land use driven by non traditional crops

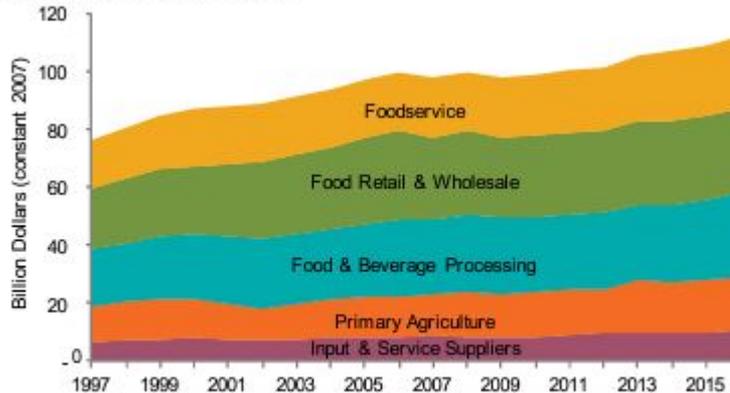
- The percentage of new productive lands used for agricultural purpose has increased significantly (from 16% to 49%) in last 20 years
- 85% of the agricultural lands are used for the top 15 crops whereas almost half of it is used by coffee, maize, potatoes & rice.
- The most dynamic area expansion rates are observed in non-traditional high-value export commodities, particularly vegetables and fruits, as well as in more traditional export commodities such as coffee, cocoa, palm oil.
- The practice of harvesting annual crops has been increasingly replaced for permanent crops and managed pastures
- The expansion of the agricultural frontier and the accompanying changes in land use patterns are leading to increasing specialization in agriculture production, both at regional level and within individual departments
- Degree to commercially oriented agriculture has increased over time though the degree of market integration varies considerably by natural region.

Canada: Macroeconomic Factors

Contribution to GDP growing than the average growth rate of Canadian economy

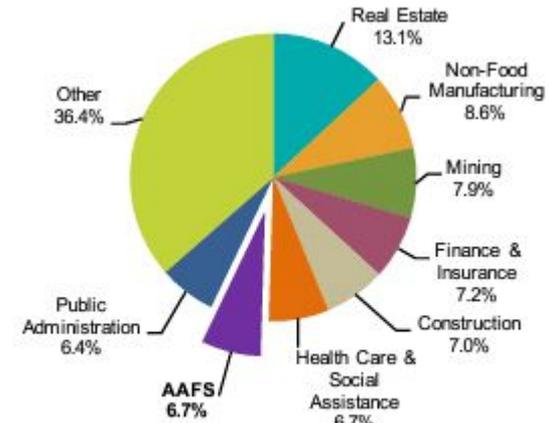
In 2016, the AAFS generated \$111.9 billion of gross domestic product (GDP) and accounted for 6.7% of Canada's total GDP. In 2016, AAFS GDP grew by 3.4% over that of the previous year, compared to 1.4% for the rest of the economy. The AAFS GDP growth averaged 2.7% per year from 2012 to 2016.

Agriculture and Agri-Food System's Contribution to Canadian GDP, 1997-2016



Source: Statistics Canada and AAFC calculations.
Note: Data is preliminary and subject to revisions.

Distribution of Canadian GDP by Sector, 2016



Source: Statistics Canada and AAFC calculations.
Note: Data is preliminary and subject to revisions.

Canada: PESTLE Analysis

- Agricultural policy framework (APF) was introduced in 2003 to reduce dependency on ad hoc financial support, to address concerns beyond income instability and improve federal-provincial- territorial relationship
- The AgriRecovery framework was introduced in 2008 to deal with natural disasters and manage demand of ad hoc payments providing a framework across governments
- Federal and provincial expenditures on agriculture and agri-food have increased from \$4.7B in 1985-86 to \$5.6B in 2016-17.
- In Canada, the total factor productivity growth has been consistent over 1% due to technological advances(plant genetics & production practices) in production
- A recently developed technology that feeds pigs individually with daily tailored diets will make significant contributions to improving the sustainability of pig production by reducing pollutant emissions (40% nitrogen, 6% GHG), labour requirements and antibiotic use while lowering feed costs (8-10%)
- The Temporary foreign Worker program (TFWP) and Seasonal Agricultural worker program (SAWP) | Simplified hiring process | by 2015, the number of foreign workers has increased to 40K
- Intellectual property rights protection (IPR) introduced in 1980 improved collaboration between producer, industry and public sector | overall public R&D funding has increased in last 30 years

Peru: PESTLE Analysis

- Over the past decade, Peru has been one of the region's fastest-growing economies, with an average growth rate 6 percent in a context of low inflation (averaging 2.9 percent).
- The Peruvian economy, which is the seventh largest in Latin America, has experienced a structural change in the past three decades.
- Currently, the services sector is the main contributor to the country's GDP, with nearly 60% of GDP stemming from this sector. Telecommunications and financial services are the main branches of the services sector; together they account for nearly 40% of GDP.
- The central government has initiated plans for Public-Private Partnership infrastructure projects and announced an updated catalog of 51 projects valued at \$ 9.2 billion, to be realized between 2019 and 2022.
- At 25.7 percent (11.4 percent) of GDP, Peru's gross (net) public debt remains one of the lowest in the region.
- The fiscal consolidation process will likely reduce public debt to around 1 percent of GDP by 2021.

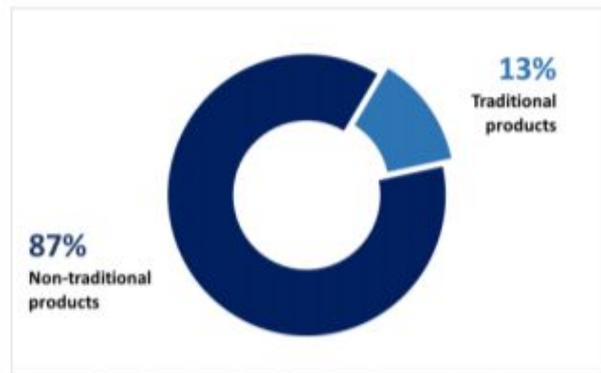
Peru: Emerging Trends for Agri-Sector

Rapid diversifications of exported items

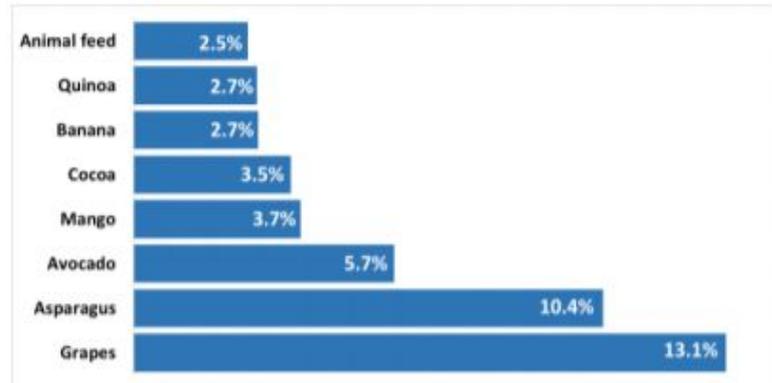
In 2002, Peru exported 470 agricultural products; by 2016, the number had increased to 629 agricultural products, reflecting the successful penetration of Peruvian exporters into a large number of new markets

Export growth fueled by non traditional products

Coffee exports increased in real terms from US\$ 223 million in 2000 to US\$ 756 million in 2016. The share of coffee in total agricultural exports dropped, however, falling from 28.5 percent in 2000 to 13 percent in 2016.



(a) Composition of ag exports, 2014



(b) Non-traditional ag exports, 2014

Source: MINAGRI

Peru: Emerging Trends for Agri-Sector

Growing number of agro exporters and export destinations

In 2005, 1,144 Peruvian firms were exporting agricultural goods. By 2012, this number had grown to 1,738, of which about 77 percent were either micro or small enterprises. By 2015, the number had grown even further to 2,017. The number of export destinations for Peru's agricultural products rose from 99 countries in 2000 to 142 countries in 2016

Unequal distribution of agricultural farms

About 77 percent of all agricultural land is controlled by just 23 thousand large-scale commercial farms with landholdings in excess of 100 ha, which represent just over 1 percent of all farming units

Effect of climate change

Climate change will particularly impact agriculture in Peru by affecting water availability. Water availability will be reduced mainly in low-lying environments such as the Costa region and lowland Selva region—areas in which agriculture is very productive and highly market oriented.

Cumulative losses resulting from a 1 degree rise in average temperature could approach 5,000 million soles, equivalent to 24 percent of agricultural GDP.

Technologies and practices designed to enhance resilience in the face of climate change are being used in Peru, but many have not yet been extensively adopted.

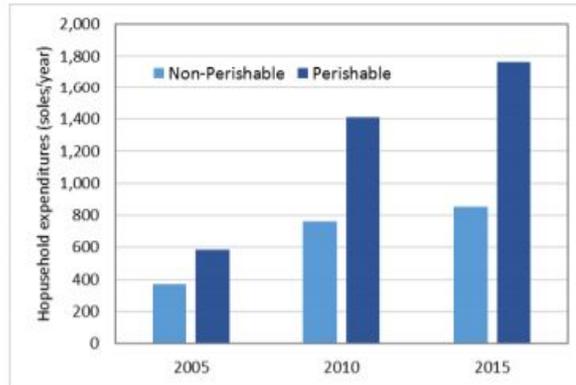
Peru: Emerging Trends for Agri-Sector

Influence of dietary changes on Agricultural sector

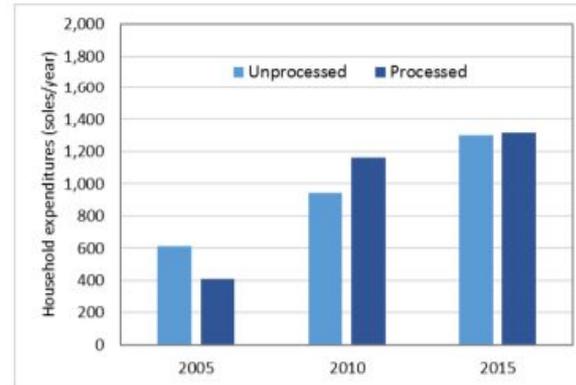
Increased availability of high-value products such as fruits and vegetables and animal-based proteins (meat, eggs, milk), as well as the steady substitution of animal fats by vegetable oils have influenced dietary choices.

Two distinctive trends observed in recent times:

- Peruvians are increasingly consuming perishable foods, including fresh fruits and vegetables, meat and fish, and dairy products
- Peruvians are increasingly consuming processed foods.



(a) Perishable vs non-perishable food



(b) Processed vs. unprocessed food

Canada: Emerging Trends for Agro-Industry

Shift towards fewer and larger farms

In 1972, Sole proprietorship accounted for 92% of the agricultural farms, the share dropped to 52% in 2016. These larger operations can be benefited from ease of operations as well as limited liability offered by business options such as incorporation. Owned hectareage is decreasing whereas area rented is increasing.

Shift in product mix due to changing market situation

The share of crop based farms increased from 49% in 2006 to 58% in 2011 with strong prices for certain field crops such as Canola, Soybean and corn contributing to the increase.

Temporary foreign workers meet the need to Agri sector

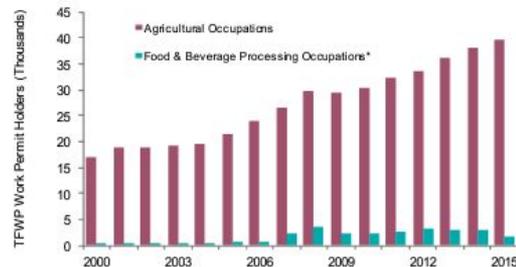
Primary agriculture and food and beverage processing industries tend to show higher job vacancy rates than other industries

Job Vacancy Rate, Primary Agriculture, Food and Beverage Processing and All Industries, 2016



Source: Statistics Canada.
* Includes tobacco processing.

Temporary Foreign Workers in Agriculture and Food and Beverage Processing, 2000-2015



Source: Immigration, Refugees and Citizenship Canada and AAFC calculations.
* Includes tobacco processing.

Canada: Emerging Trends for Agri-Sector

Growing awareness of recycling

According to a study by Dalhousie University, 71% of the Canadian consumers support a ban on single use plastics and 56% Canadians are already shopping for food in non plastic packaging. 38% Canadians are ready to pay premium for biodegradable packaging. Manufacturers in this industry may need to rethink their branding effort considering the shift in consumer priorities.

Environmental impact of food

Growing consciousness towards sustainable practices is expected to impact customer consumption choices. This also provides a marketing opportunity to explore for the manufacturers

Legal Considerations for Agro-Industry

Regulatory Bodies in Canada

- Canadian Food Inspection Agency (CFIA)
- Canadian Border Services Agency (CBSA)
- Canada Revenue Agency (CRA)
- Canadian Chamber of Commerce (CCC)
- Food and Beverage Canada
- Food and Beverage Ontario

Agro-Industry Regulatory Bodies in Canada

Canadian Food Inspection Agency (CFIA)

[Website Link](#)

SERVICES OFFERED

- Administering acts and regulations and implementing government wide regulatory initiatives
- Guidance on regulatory requirements
- My CFIA online services
- Implementing SFCR guidelines (Safe food for Canadians regulations)

CONTACT :

Key Personnel : Dr. Siddika Mithani (President)

General Contact : 1-289-247-4099 (importing)

Canadian Border Services Agency (CBSA)

[Website Link](#)

SERVICES OFFERED

- **administering** legislation that governs the admissibility of people, goods, plants and animals into and out of Canada;
- **protecting** food safety, plant and animal health, and Canada's resource base;
- **enforcing** trade remedies that help protect Canadian industry from the injurious effects of dumped and subsidized imported goods;
- **administering** a fair and impartial redress mechanism;
- **collecting** applicable duties and taxes on imported goods.

CONTACT :

Key Personnel: John Ossowski (President)

General contact: 1-204-983-3500 | contact@cbsa.gc.ca

Agro-Industry Regulatory Bodies in Canada



Canadian Chamber of Commerce (CCC)

[Website Link](#)

SERVICES OFFERED

- Provides the country of origin certification to SMEs
- Advocates public policies to foster a strong, competitive economic environment that benefits businesses, communities and families across Canada.
- Confirmation of business registration

CONTACT

President & CEO : Perrin Beatty

General Contact : certification@chamber.ca (+16132384000)

Canada Revenue Agency (CRA)

[Website link](#)

SERVICES OFFERED:

- Business Number registration (BN)
- Income tax, GST/HST, payroll accounts service
- Excise taxes, duties and levies (applicable to certain industries such as Cannabis)
- Charity listing, registration and charitable tax credits

CONTACT:

Key Personnel : Bob Hamilton (CEO), Christine Donoghue (Deputy commissioner)

General contact: 1-866-841-1876 (business enquiries)

Agro-Industry Regulatory Bodies in Canada

Food and Beverage Canada

[Website link](#)

SERVICES OFFERED:

- Policy advocacy (labour, Regulation, & innovation)
- Connecting members with stakeholders
- Providing resources (updates about the sector) to the members
- Providing awareness regarding career options, training infrastructure among industry professionals, academics & government

CONTACT

CEO - Kathleen Sullivan (ksullivan@fbc-abc.com)

Communication director - Isabel Dopta (idopta@fbc-abc.com)

Food and Beverage Ontario

[Website Link](#)

SERVICES OFFERED:

- Connecting industry leader, suppliers, distributors etc in Ontario working in F&B sector
- Providing advocacy for policy regulations and programs
- Providing latest information of resources, news and tools
- Organising events for spreading awareness and connect industry professionals

CONTACT :

CEO - Norm Beal (519-826-3741 ext. 23 |

nbeal@foodandbeverageontario.ca)

Communication director - Isabel Dopta (519-826-3741)

Legal Considerations for Agro-Industry Sector

Regulatory Bodies in Peru

- Superintendencia Nacional de Aduanas y de Administración Tributaria (SUNAT)
- La Dirección General de Salud Ambiental (DIGESA)
- Servicio Nacional de sanidad agraria (SENASA)

Agro-Industry Regulatory Bodies in Peru

Superintendencia Nacional de Aduanas y de Administración Tributaria (SUNAT)

Website Link

SERVICES OFFERED:

- Import/export guidance and implementation
- Tariff information and classifications
- Income tax, RUC etc services for businesses and individuals
- Migratory incentive, orientation card, operator registration
- Postal Shipping- import/export easy

CONTACT US

Customs consultation : 0-801-12-100 / (01) 3150730

La Dirección General de Salud Ambiental (DIGESA)

Website link:

SERVICES OFFERED:

- Provides food sanitary registry for imported processed food products
- Health regulation guidance and implementation
- Environmental consultation

CONTACT:

General contact : (511) 631-4430 | <http://www.digesa.minsa.gob.pe>

Agro-Industry Regulatory Bodies in Peru

Servicio Nacional de sanidad agraria (SENASA)

[Website Link](#)

SERVICES OFFERED:

- Consultation of Sanitary Requirements for the Importation, Exportation and International Transit of products of animal and vegetable
- Provides sanitary registry for imported plants, animals and their by products
- Payment calculation for processing

CONTACT :

General contact :

Key Agro-Industry Trade Shows in Canada

SIAL Canada

[Website link](#)

Exhibitors from different countries get an opportunity to showcase respective cuisines to Canadian audience, learn about the latest trends in the sector and network with industry professionals.

NEXT EVENT - April 15th to 17th, Montreal

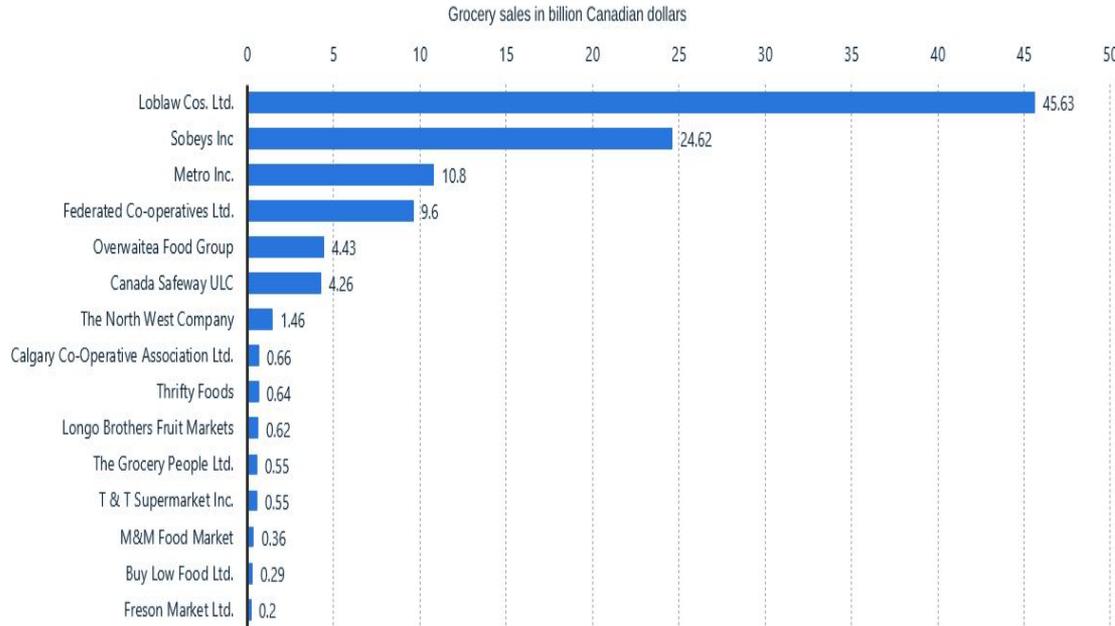
Grocery Innovation Canada

[Website link](#)

This exhibition brings together all facets of the grocery trade together under one roof. It's focused on key grocery & specialty categories from front end to back end including equipment, technology, food services, garden, financial and insurance

NEXT EVENT - Oct 27-28, 2020 (Etobicoke)

Main Grocery Retailers in Canada



Market share of top 10 Canadian Grocery Retailers

- 1) Loblaws/Shoppers Drug Mart (29%)
- 2) Sobeys/Safeway (21%)
- 3) Costco (11%)
- 4) Metro (10.8%)
- 5) Walmart (7.5%)
- 6) Co-ops (3.5%)
- 7) Overwaitea Food Group (3%)
- 8) Couch-Tard (1.4 %)
- 9) North West Company Inc. (1%)
- 10) Dollarama (0.5%)

Loblaws, Sobeys and Costco together contribute to 61% of the market share

Trade Agreements

Trade agreements, regulations
affecting agri-sector

- Canada Peru free trade agreement (CPFTA)
- Comprehensive and progressive agreement for trans pacific partnership (CPTPP)

Canada Peru Free Trade Agreement (CPFTA)

- Signed in 29th May, 2008, in force since August 1,2009
- The CPFTA facilitates establishment of free trade, creation of opportunities for economic development, elimination of trade barriers and promotion of fair competition.
- With the exception of over quota tariffs on dairy, poultry, eggs and refined sugar, virtually all the tariffs eliminated for import/export between two countries.

Comprehensive and Progressive Agreement for Trans Pacific Partnership (CPTPP)

- Free trade agreement between Canada and 10 other countries in the Asia-Pacific region.
- Once in force for Peru, the CPTPP will provide preferential market access similar to CPFTA with modernized trade rules and gives exporters greater flexibility in using inputs from CPTPP members.
- This will allow Canadian exporters to choose between the trade agreements and claim preferences under the agreement that best fits their needs.
- CPTPP will also provide Canadian producers and processors with new opportunities to expand their sourcing options.

Emerging Trends in Agro-Industry Trade

Cannabis Industry

- Regulatory framework in Canada
- Regulatory framework in Peru

Cannabis: Regulatory Framework in Canada

Only Health Canada retains the authority to issue permits or grant exemptions to import or export cannabis. They do so under very limited circumstances and for limited purposes: medical, scientific or industrial hemp.

Consistent with international drug conventions, importing or exporting cannabis for medical or scientific purposes requires a permit from Health Canada for each shipment. While each application will be assessed on its merit, Health Canada's general policy is to issue import or export permits only in limited circumstances, such as:

- Importing starting materials (e.g., seeds, plants) for a new licence holder;
- Exporting cannabis products to another country that has a legal regime for access to cannabis for medical purposes; or
- Importing or exporting small quantities of cannabis for scientific purposes (e.g., research or testing).

While the import or export of industrial hemp grain or seed also require an import or export permit issued under the Industrial Hemp Regulations, the considerations set out in this bulletin do not apply to the issuance of such permits.

Important links

[Import and export license for industrial hemp](#) | [Cannabis regulations overview in Canada](#) |

Cannabis: Regulatory Framework in Peru

On 23 February 2019, Peru's government legalized the medicinal and therapeutic use of cannabis and its derivatives.

Currently, there are three licenses for entities to obtain in this industry:

1. **Scientific research license:** this license enables universities to undertake agricultural, health, and other scientific research. The entity in charge is the National Institute of Agricultural Innovation – INIA which is part of the Ministry of Agriculture and Irrigation.
2. **Wholesale import and commercialization:** this is available to registered pharmaceutical companies. The entity in charge is the Dirección General de Medicamentos, Insumos y Drogas – DIGEMID, line organ of the Ministry of Health.
3. **Production license:** this is exclusively given to public institutions and registered and certified pharmaceutical laboratories. The entity in charge is DIGEMID

Though Peru offers the prime conditions for Cannabis production, businesses are still waiting to get the whole implementation process approved by the relevant government authorities as other Latin American countries are doing to become a leading supplier of the world's cannabis market.

Relevant Links

[Cannabis industry in Latin America](#) | [Getting a production permit in Peru](#)

Mapping the Journey of an SME

Exporting from Peru to Canada

- Export regulations from Peru
- Import regulations to Canada

Export Regulations from Peru

- To be eligible for exporting from Peru, Companies need to meet three conditions - Being registered in the taxpayer register (RUC) | Proof of compliant tax history | Presentation of relevant exportation documentation

Required documents for exportation - Copy of the transport document, payment proof or SUNAT copy of invoice, Document proving the mandate in favor of the customs agent, other documents depending on scenario

- Once eligible, the exporter needs a Customs Merchandise Declaration (DAM) exhibiting the invoice of the product and the bill of the transportation method employed.
- The Certificate of Origin (Certificado de Origen, C.O.). The process to obtain the C.O. proceeds within two steps; the exporting company fills and signs the CO and sends it to the tax and customs administration (SUNAT) who in turn validate and register the exports in the corresponding tariff subheading for the importer. The SUNAT then sends the C.O to the importer applying the tariff preference.
- For food and beverages, the importer needs to forward an application to the Food and Health Bureau in Peru (DIGESA). Additionally, the importer needs to provide the DIGESA with product information, packaging details and storage conditions.

Import Regulations to Canada

- CBSA is the first line of control, Regulations are controlled by CFIA
- The use of a customs broker is very common when importing goods into Canada. A CBSA licensed broker's services can include: obtaining release of the imported goods; paying any duties that apply; obtaining, preparing, and presenting or transmitting the necessary documents or data; maintaining records; responding to any CBSA and/or Revenue Agency concerns after payment.
- If you are a foreign food exporter, You must export food to Canada through a licenced Canadian importer unless you have a SCFR license as non resident importer.
- Labeling and marketing requirement: CFIA controls and implements the labeling and marking requirements for imported food products. Though the guidelines vary widely depending on the product type, the core labelling requirements involve bilingual labelling, country of origin, Nutrition labeling etc.

Important Links

[Checklist for importing goods in Canada](#) | [Marking guidelines](#) | [Labeling requirement for imported food products](#) |

Mapping the journey of a SME

Exporting from Canada to Peru

- Export regulations from Canada
- Import regulations to Peru

Export regulations from Canada

- Have a Business Number (BN) with an import-export account (CRA)
- Determine the country of origin of the goods and potentially complete a Canadian certificate of origin (CCC)
- Find out if the goods can be exported or if they are prohibited or restricted in any way
- Ensure the goods your are exporting is allowed entry in destination country (World customs organisation)
- Find out if you need an export permit (<https://www.cbsa-asfc.gc.ca/export/reflist-listeref-eng.html>)
- Classify the goods according to the Harmonized System (HS codes) or the Canadian Tariff Classification Number (Custom tariffs)
- Report your exports to Canada Border Services Agency
- Ship your goods, which could involve an inspection of your shipment by Canada Border Services Agency and could bring about penalties, if you do not comply with customs requirements

RELEVANT LINKS

[Exporting requirement checklist](#) | [Step by step guide](#) | [Peru Canada business guide](#) | [Export and import control](#)

Import regulations to Peru

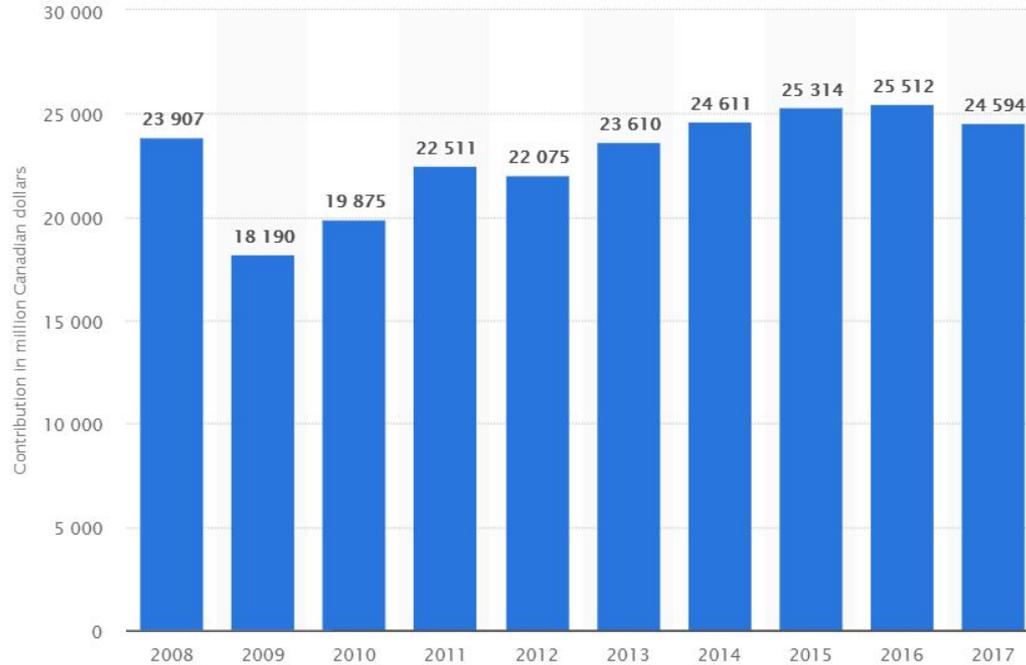
- For imports, Customs (SUNAT) requires a Customs Merchandise Declaration (DAM – in Spanish), a commercial invoice (equivalent document or contract), Simple photocopy of payment receipt, an authenticated photocopy of transport document, a packing list, and an insurance letter. Several imports are subject to antidumping and countervailing duties (Unless they have certificate of origin).
- A food sanitary registry is required for processed food products (issued by DIGESA's Food and Environmental Health Bureau or a Sanitary Certificate for animal, plants, or their by-products issued by SENASA)
- Labeling and Marketing requirement:
 - Before reaching the point of sale, imported packaged foods must carry a separate adhesive label with a Spanish translation, including the importer/distributor's contact information and RUC (taxpayer number)
 - The Consumer Protection Office of Peru's Consumer Defense Agency, INDECOPI, is responsible for food and beverage labeling and advertising. Materials and food additives for food and beverage manufacturing must meet the health quality requirements established in the sanitary standards issued by DIGESA.

Key Industries

Canada-Peru Bilateral Trade

- Infrastructure
- Agriculture
- Mining
- Alcoholic Beverages

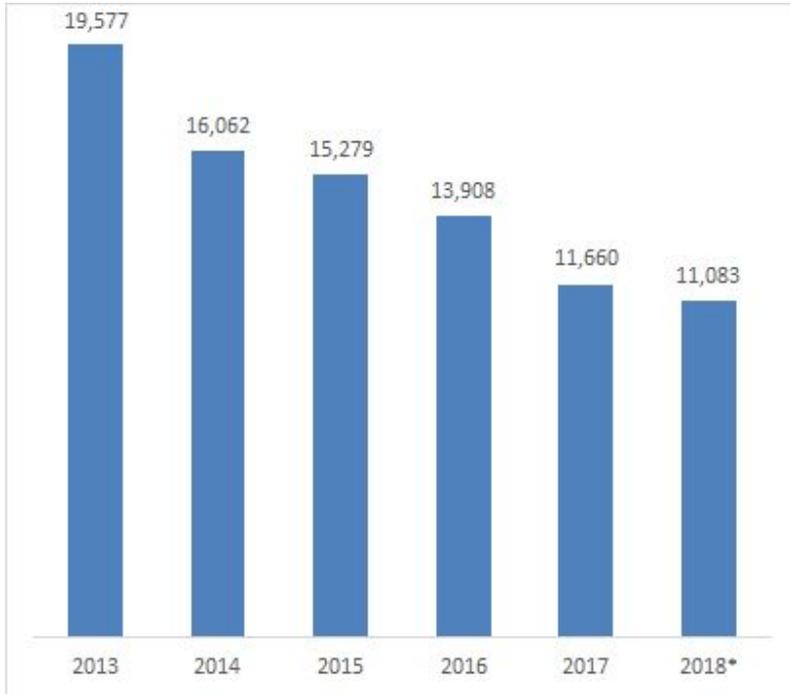
Market Trends in Mining: Canada



Real GDP contribution of mining in Canada (Million CAD)

Output of the mining industry in Canada has grown steadily at 3.8% CAGR since the 2008 financial crisis.

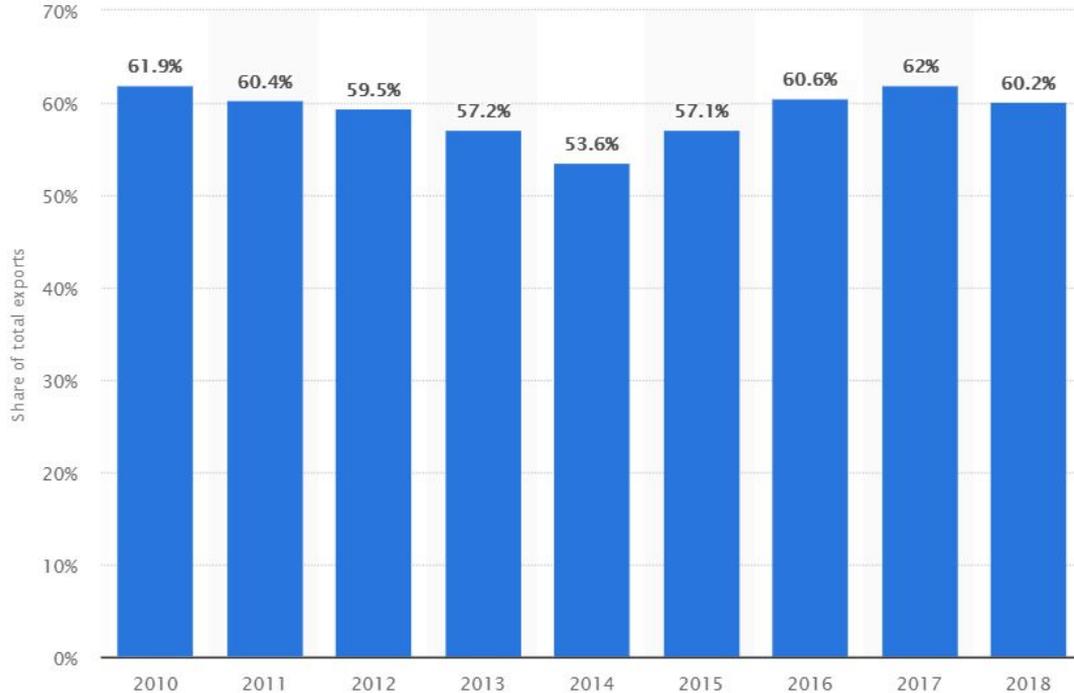
Market Trends in Mining: Canada



Capex in mining and mineral processing has been declining since 2013

Capex on Mining and Mineral processing in Canada (Million CAD)

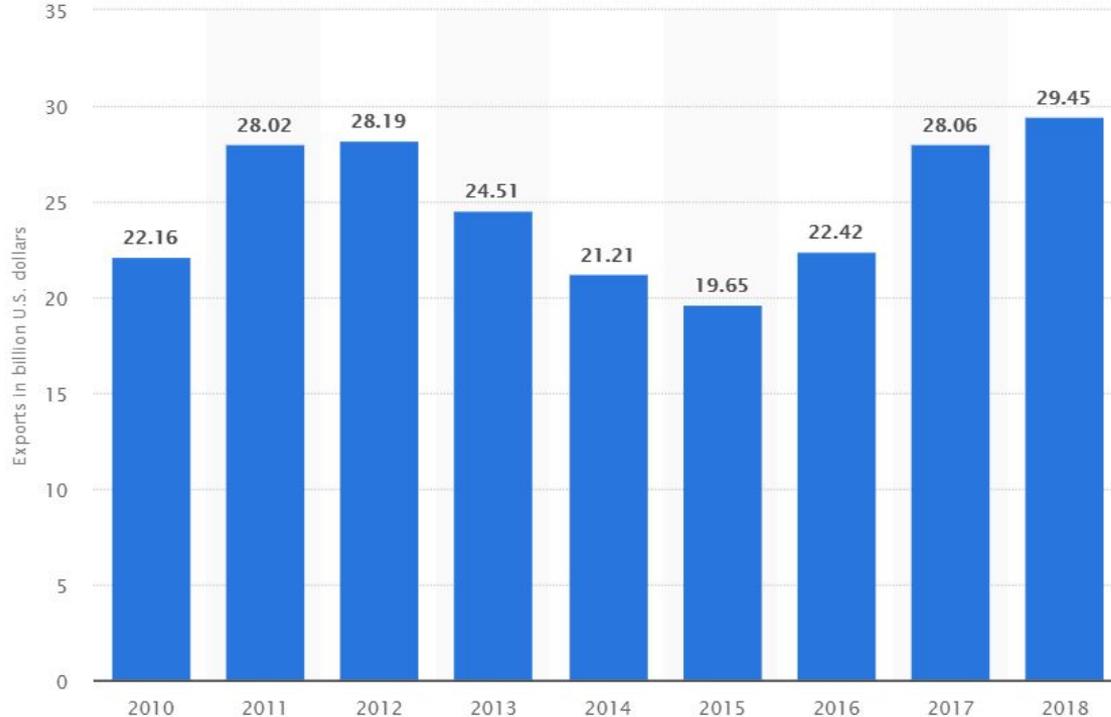
Market Trends in Mining: Peru



Mining products contribute to more than 60% of Peru's total exports

Mining as a % of exports from Peru

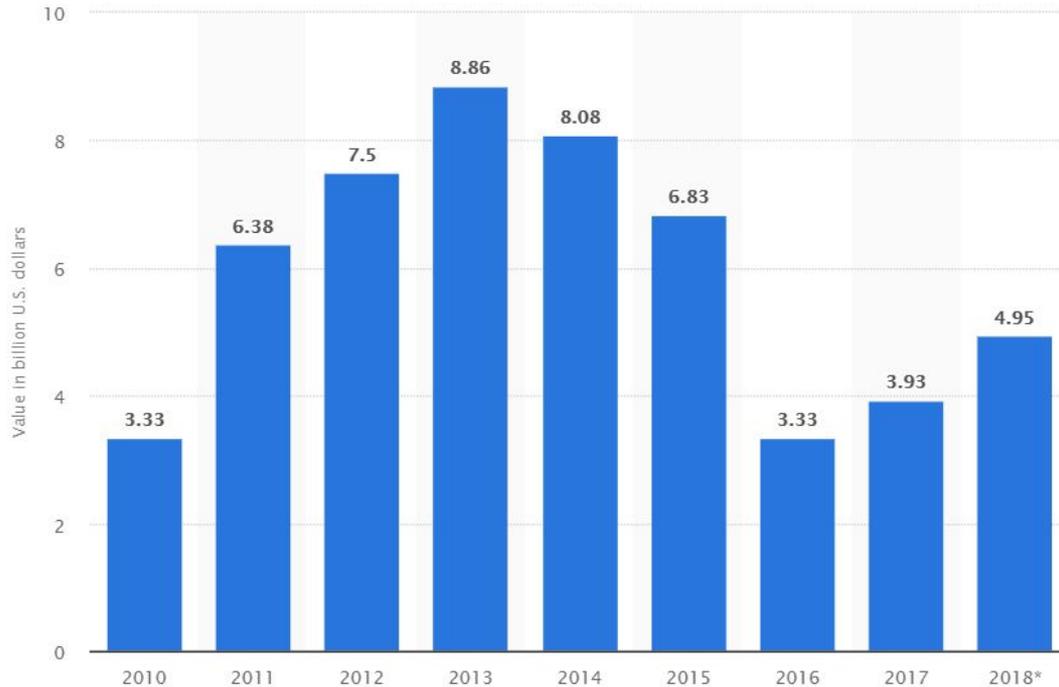
Market Trends in Mining: Peru



Mining exports from Peru have picked up after hitting a low in 2015. This is a good sign as the mining sector seems to be picking up activity.

Mining exports from Peru in US Billion \$

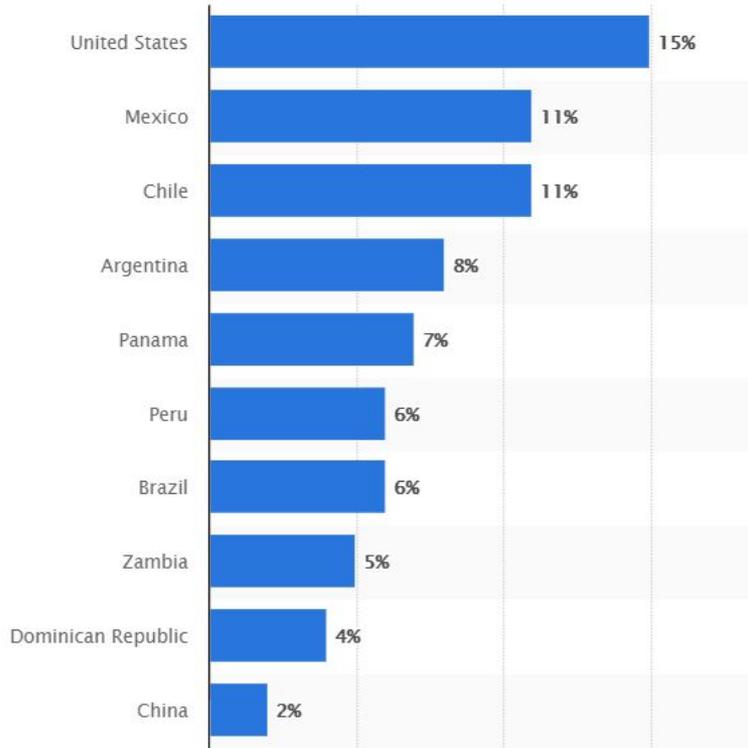
Market Trends in Mining: Peru



Investments in the sector have also picked up since 2016.

Total Investments in Mining in Peru in US Billion \$

Market Trends in Mining: Canada-Peru



Canadian Mining Investment by Country

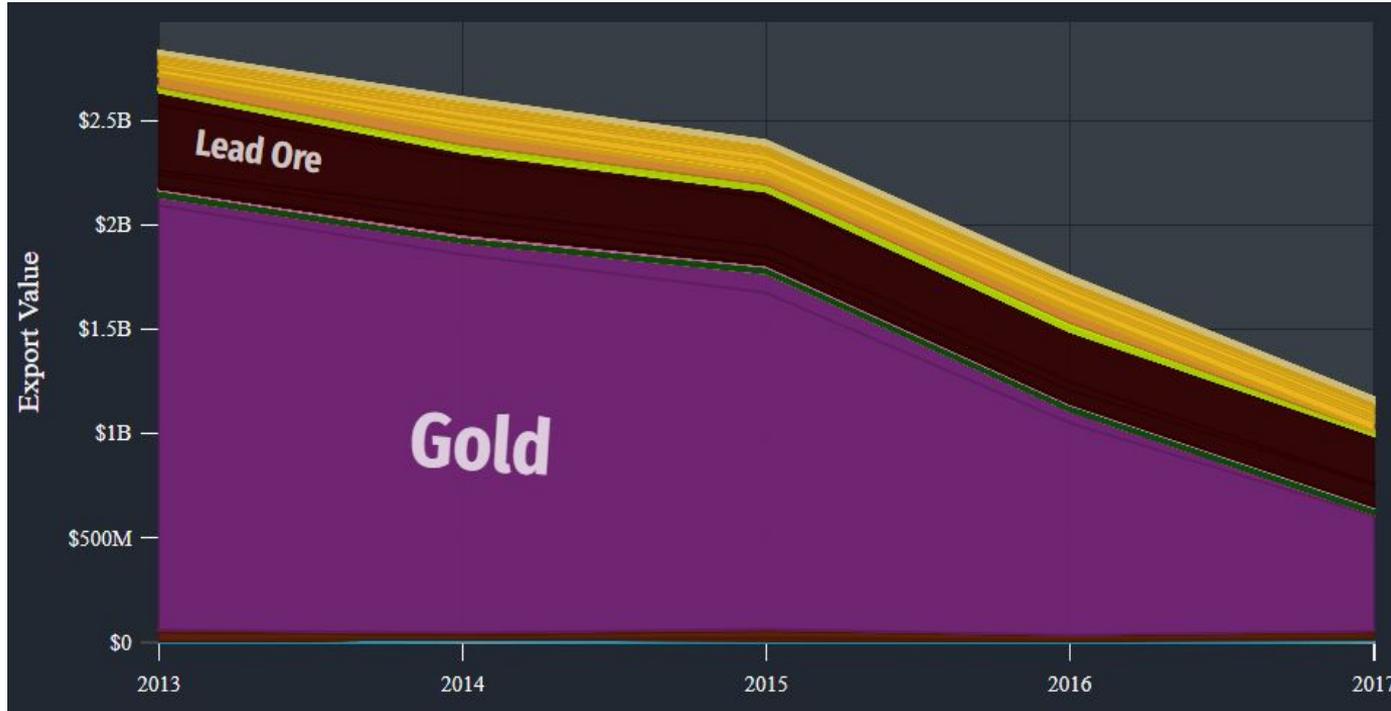
Peru accounts for \$14.2Billion investment by Canadian companies, mainly in Mining, Oil & Gas and Financial Services.

Peru is the 3rd largest FDI destination for Canada in the region and Canada is the largest FDI in the mining sector in Peru.

Market Trends in Mining: Canada-Peru

Exports from Peru to Canada have declined significantly in recent years.

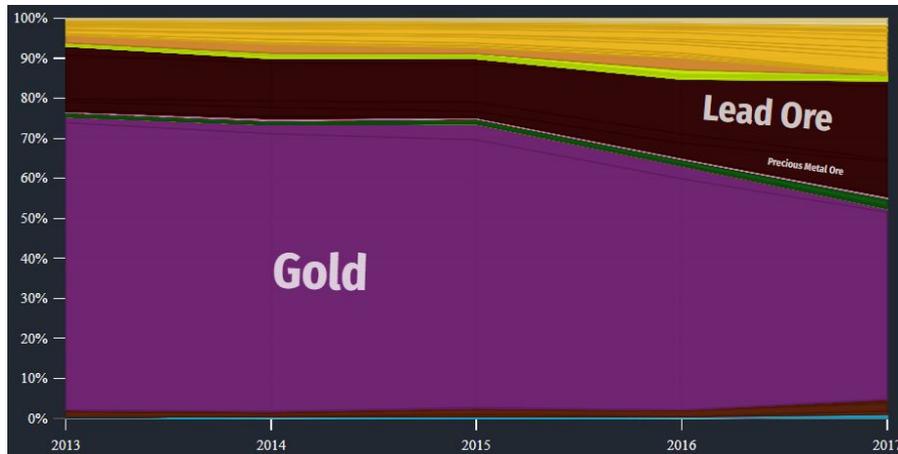
<https://oec.world/en/visualize/stacked/hs92/export/per/can/show/2013.2017/>



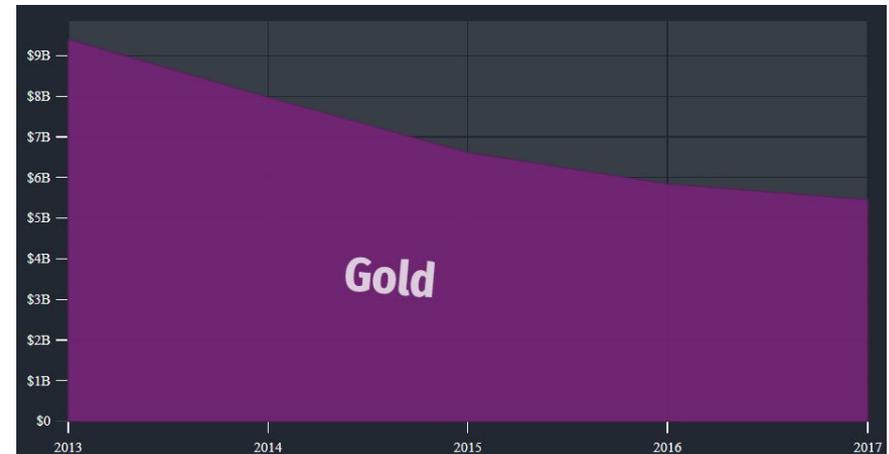
Market Trends in Mining: Canada-Peru

Major part of this decline can be attributed to reduction in amount of Gold being exported as export of other major categories have increased.

<https://oec.world/en/visualize/stacked/hs92/import/can/all/show/2013.2017/>

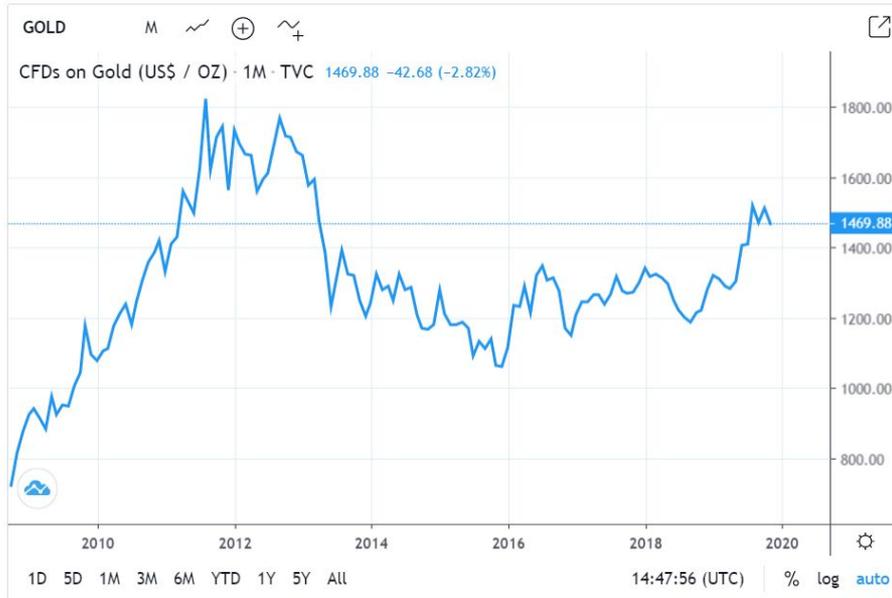


Gold as a % of exports from PER to CA



Canadian Gold imports

Market Trends in Mining: Canada-Peru



Gold prices dropped sharply in 2013 and since then have been stable. Prices have started rising again since early 2019.

<https://tradingeconomics.com/commodity/gold>

Monthly Gold Prices in US\$/oz.

Key Players in Mining: Peru

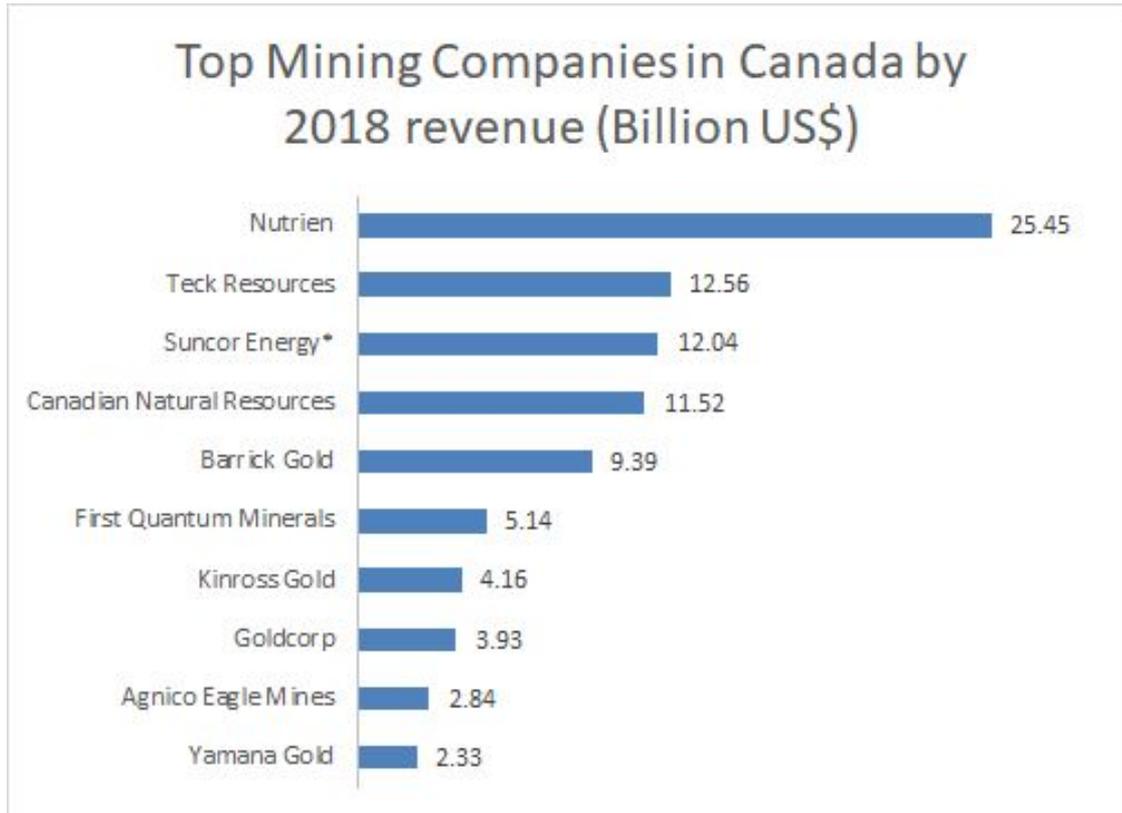


Key Players in Mining: Peru

Peru: Top mining companies 2018, by sales revenue

Company	Phone	Key Contact Person	Designation	Website	Address
Compañía de Minas Buenaventura	(+51)-14192500	Rodrigo Echeopar	Investor Relation Contact Officer	http://www.buenaventura.com.pe/	Calle Las Begonias 415 , Piso 19 Lima, Lima, 27, Peru
Compañía Minera Antapaccay	(+51)-12177070	Guillermo Antonio Freire Mantero	Manager Administration	https://www.glencore.com/	Jr. Los Delfines 159 Lima, 33, Peru
Glencore Peru	(+51) 1 2171100	Jose Nestor Marun	Board Member		Santiago de Surco 15039, Peru
Trafigura Peru (public)	(+51)-14120800	Miguel Alfredo Polo Gálvez	Manager Administration		Impala Terminals Peru Avenue Contralmirante Mora 472, Callao Lima
Southern Peru Copper (public)	(511) 512-0440	Andrés Carlos Ferrero	Director Administration	http://www.southernperu.com/ENG/	Av. Caminos del Inca 171 Urb. Chacarilla del Estanque, Santiago de Surco
Minera Las Bambas	(+51)-14-184522	Giannina Assereto	General Manager	http://www.lasbambas.com/	Av. El Derby 055 Torre 3 , Piso 9 Lima, Lima, 33, Peru
Sociedad Minera Cerro Verde	(+51)-54-381515	Rohn Marshall Householder	Manager of Administration	http://www.cerroverde.pe/	Calle Jacinto Ibañez 315 Arequipa, Arequipa, Peru
Compañía Minera Antamina	(+51)-12-173000	Abraham Isaac Chahuan Abedrabo	General Manager	https://www.antamina.com/	Av. El Derby 055, Torre 1 , Piso 8, Of. 801 Lima, Lima, 33, Peru

Key Players in Mining: Canada



Key Players in Mining: Canada

Canada: Top mining companies 2018, by sales revenue

Company	Phone	Key Contact	Designation	Website	Address
Nutrien	(+1)-306-933-8548	Tim Mizuno	Manager, Investor Relations	https://www.nutrien.com/	Suite 500, 122 - 1st Avenue South Saskatoon, S7K 7G3
Teck Resources	(+1)-604-699-4000	John F. Gingell	VP and Controller	https://www.teck.com/	550 Burrard St Suite 3300 V6C 0B3, Canada
Suncor Energy	(+1)-403-296-8000			http://www.suncor.com/	150 6 Ave Sw, Calgary, Alberta, T2P 3Y7, Canada
Canadian Natural Resources	(+1)-403-517-6700			http://www.cnrl.com/	855 2 St Sw Suite 2100 Calgary, Alberta, T2P 4J8
Barrick Gold	(+1)-416-861-9911	Kathy Sipos	General Manager Corporate Office	https://www.barrick.com/	161 Bay St Suite 3700 Toronto, Ontario, M5J 2S1
First Quantum Minerals	(+1)-604-688-6577	Sarah Robertson	Corporate Secretary	http://www.cobrepanama.com/	543 Granville St 14Th Fl Vancouver, BC, V6C 1X8
Kinross Gold	(+1)-416-365-5123	Louie Diaz	Sr. Dr., Corp. Comms	http://www.kinross.com/	25 York St 17Th Fl Toronto, Ontario, M5J 2V5
Goldcorp	(+1)-604-696-3000	Jessica Largent	VP, Investor Relations	https://www.newmontgoldcorp.com/	666 Burrard St Suite 3400 Vancouver, BC, V6C 2X8
Agnico Eagle Mines	(+1)-416-947-1212			http://www.agnico-eagle.com/	145 King St E Suite 400 Toronto, Ontario, M5C 2Y7
Yamana Gold	(+1)-416-815-0220	Sofia Tsakos	Corporate Secret	https://www.yamana.com/English/Hc	200 Bay St Royal Bank Plaza North Tower Ste 2200 Toronto, Ontario, M5J 2J3

Mining Sector Analysis: Canada-Peru

- Pickup in commodity prices, especially Gold and Copper (key sectors in both countries) is expected to boost investment and mining activity.
- The mining industry in Peru is showing positive shoots both in terms of production and investment. This combined with expected ratification of CPTPP by Peru should open up great opportunities in this sector.
- Recent drop in imports from Peru to Canada can be mainly attributed to drop in imports in Gold. Overall Gold imports to Canada has seen a steady decline in the 2013-2018 period. Could be attributed to the fact that Gold production within Canada has grown at a CAGR of 6.5% between 2015 to 2018, from 153 metric tons in 2015 to 185 metric tons in 2018 (Statista)

Key Sources

América Economía. (July 24, 2019). Leading mining companies in Peru in 2018, based on sales revenue (in billion U.S. dollars) [Graph]. In *Statista*. Retrieved November 18, 2019, from

<https://www-statista-com.ezproxy.library.yorku.ca/statistics/859188/leading-mining-companies-peru-sales-revenue/>

MINEM (Perú). (June 15, 2019). Total investments in mining in Peru from 2010 to 2018 (in billion U.S. dollars) [Graph]. In *Statista*. Retrieved November 18, 2019, from <https://www-statista-com.ezproxy.library.yorku.ca/statistics/1031468/investment-value-mining-peru/>

MINEM (Perú). (June 15, 2019). Mining export value in Peru from 2010 to 2018 (in billion U.S. dollars) [Graph]. In *Statista*. Retrieved November 18, 2019, from <https://www-statista-com.ezproxy.library.yorku.ca/statistics/1030684/peru-mining-export-value/>

MINEM (Perú). (June 15, 2019). Mining sector as percentage of total exports in Peru from 2010 to 2018 [Graph]. In *Statista*. Retrieved November 18, 2019, from <https://www-statista-com.ezproxy.library.yorku.ca/statistics/1030692/peru-mining-sector-share-total-exports/>

Mining Association of Canada. (March 7, 2019). Capital expenditure on mining and mineral processing in Canada from 2008 to 2018 (in million Canadian dollars) [Graph]. In *Statista*. Retrieved November 19, 2019, from

<https://www-statista-com.ezproxy.library.yorku.ca/statistics/552410/mining-and-mineral-processing-capex-in-canada/>

Mining Association of Canada. (March 7, 2019). Real gross domestic product contribution of mining in Canada from 2008 to 2017 (in million Canadian dollars)* [Graph]. In *Statista*. Retrieved November 19, 2019, from

<https://www-statista-com.ezproxy.library.yorku.ca/statistics/551159/real-gdp-contribution-of-mining-in-canada/>

Key Industries

Canada-Peru Bilateral Trade

- Infrastructure
- Agriculture
- Mining
- Alcoholic Beverages

Bilateral Trade of Alcoholic Beverages



IMPORT OF AB TO CANADA (2018):

- Total Import: C\$5,291,000,000
- Growth (2014 – 2018): C\$ 594,000,000
- Total Import from Peru: C\$ 281,932
- Growth (2014 – 2018): C\$28,406

EXPORT OF AB FROM PERU TO CANADA (2018):

- Total Export: C\$1,005,000,000
- Growth (2014 – 2018): C\$ 150,000,000
- Total Export from Peru: Nil
- Decline (2014 – 2018): C\$ 153,360

Alcoholic Beverages Trade: Canada-Peru

AB trade between Canada and Peru is extremely low

	2014	2015	2016	2017	2018
Total Import of AB to Canada	4,697,000,000	4,864,000,000	4,959,000,000	5,115,000,000	5,291,000,000
Import of AB from Peru	253,526	201,781	183,394	296,774	281,932
Total Export of AB from Canada	855,000,000	952,000,000	977,000,000	968,000,000	1,005,000,000
Export of AB to Peru	153,360	233,624	182,362	8,559	-

Peruvian Liquor in Canada

5 major liquors in terms of searches

- Cusquena Negra Dark Lager Beer
- Santiago Queirolo Gran Vino Borgona
- **Ron Millonario X.O. Reserva Especial**
- Cuatro Gallos Pisco Acholado, Ica Valley
- Tabernerero Borgona

In LCBO, Pisco is traded under Spirits section.



La Caravedo Puro Quebranta Pisco

750 mL bottle | LCBO#: 542654

\$41.95

VA 94

Clear and colourless. Attractive, intense, faintly spicy, dried ripe pear purée nose with a faint floral-herbal hint reminiscent of agave. Dry, medium ...

[Read More +](#)



Add to a Favourites List

PRODUCT DETAILS

Release Date: March 16, 2019

Bottle Size: 750 mL bottle

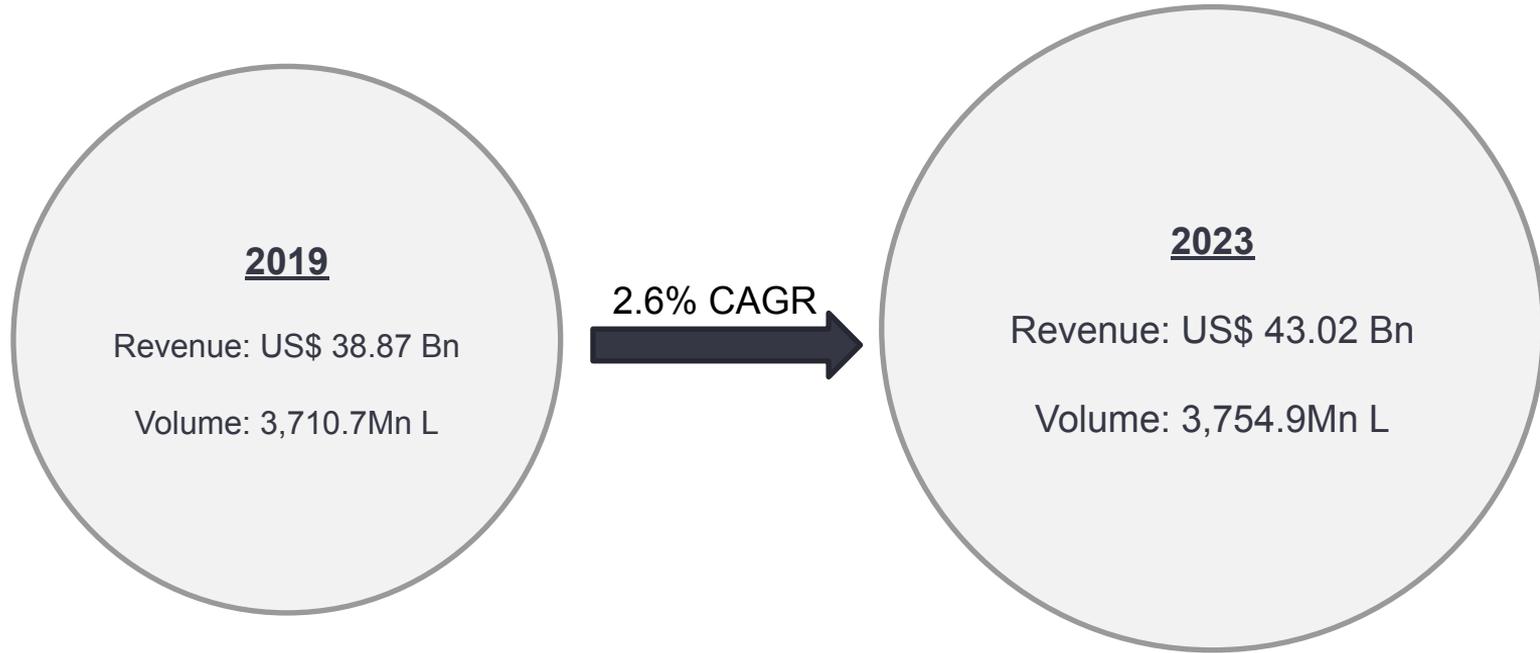
Alcohol/Vol: 40%

Made In: Peru

By: Destileria La Caaravedo S.R.L.

Sugar Content: 2 g/L

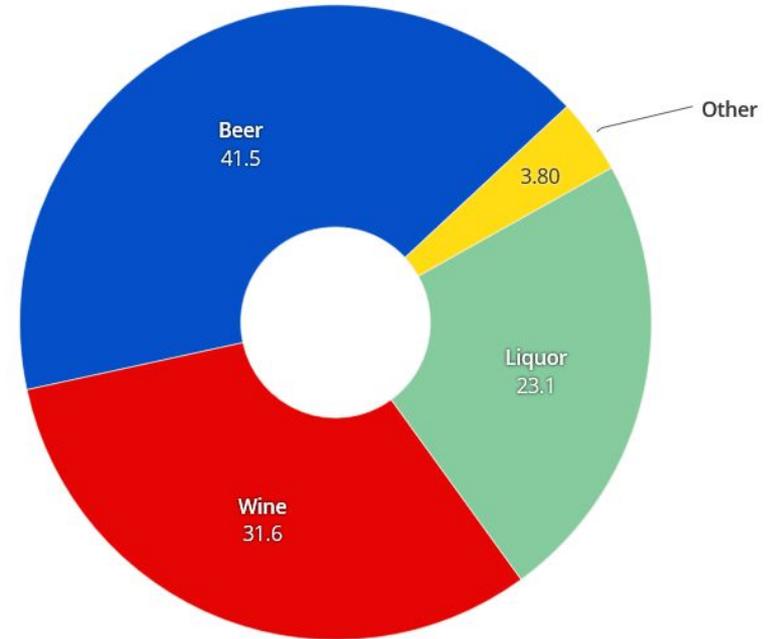
Canadian Market for Alcoholic Beverages



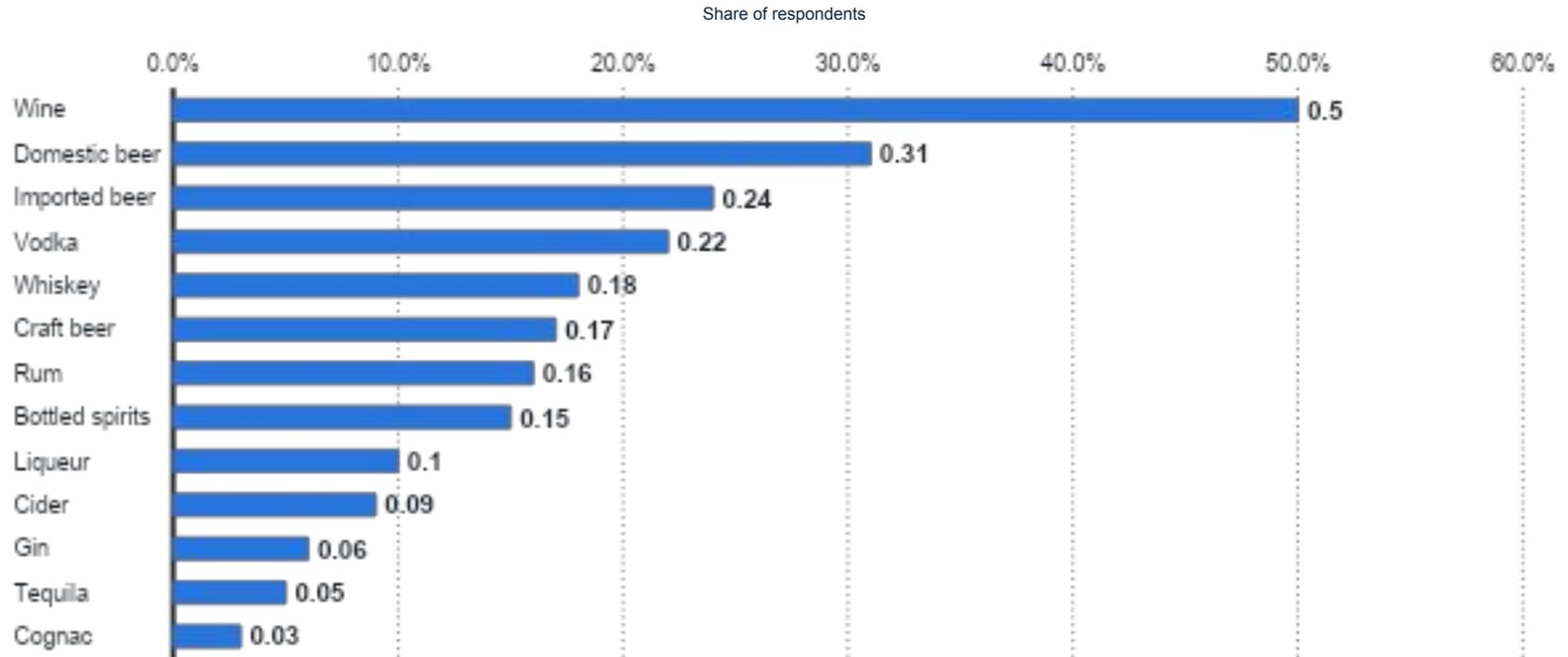
AB consumption is culturally embedded - Population is expected to increase - Major Sales from Wine and Spirits

Alcoholic Beverages Consumption in Canada

- In 2017, Canadians spent US\$ 22.1 billion on alcoholic beverages consumption
- US\$ 9.2 billion on beer, US\$ 7 billion on wine, US\$ 5.1 billion on spirits and US\$ 800 million, was spent on ciders, coolers and other alcoholic drinks
- Ten years ago, beer enjoyed a 46.7 per cent market share of all alcoholic drinks, almost twice as much as wine at 27 per cent



Favorite alcoholic beverage in Canada: Wine

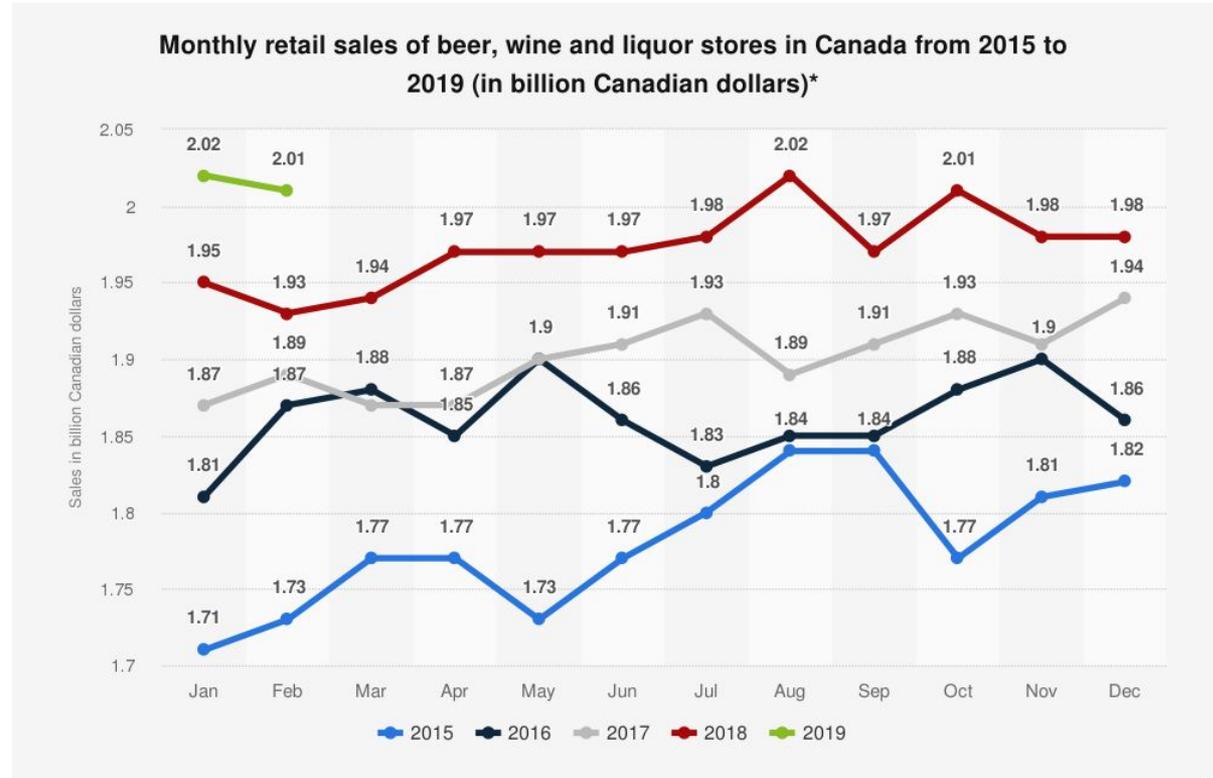


Favorite alcoholic beverage by province: Wine

	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	Atlantic Canada
Wine	49%	49%	47%	43%	45%	62%	45%
Domestic beer	23%	28%	48%	20%	31%	30%	44%
Imported beer	17%	25%	18%	17%	22%	35%	19%
Vodka	25%	18%	12%	14%	14%	18%	10%
Whiskey	21%	10%	10%	5%	8%	5%	8%
Craft beer	26%	25%	29%	34%	23%	16%	23%
Rum	11%	24%	15%	12%	17%	14%	16%
Bottled spirits	16%	20%	17%	25%	24%	9%	14%
Liqueur	10%	8%	2%	10%	7%	4%	4%
Cider	8%	3%	3%	11%	7%	4%	1%
Gin	12%	7%	12%	13%	12%	9%	5%
Tequila	2%	1%	1%	-	4%	4%	2%
Cognac	12%	15%	17%	15%	18%	13%	13%

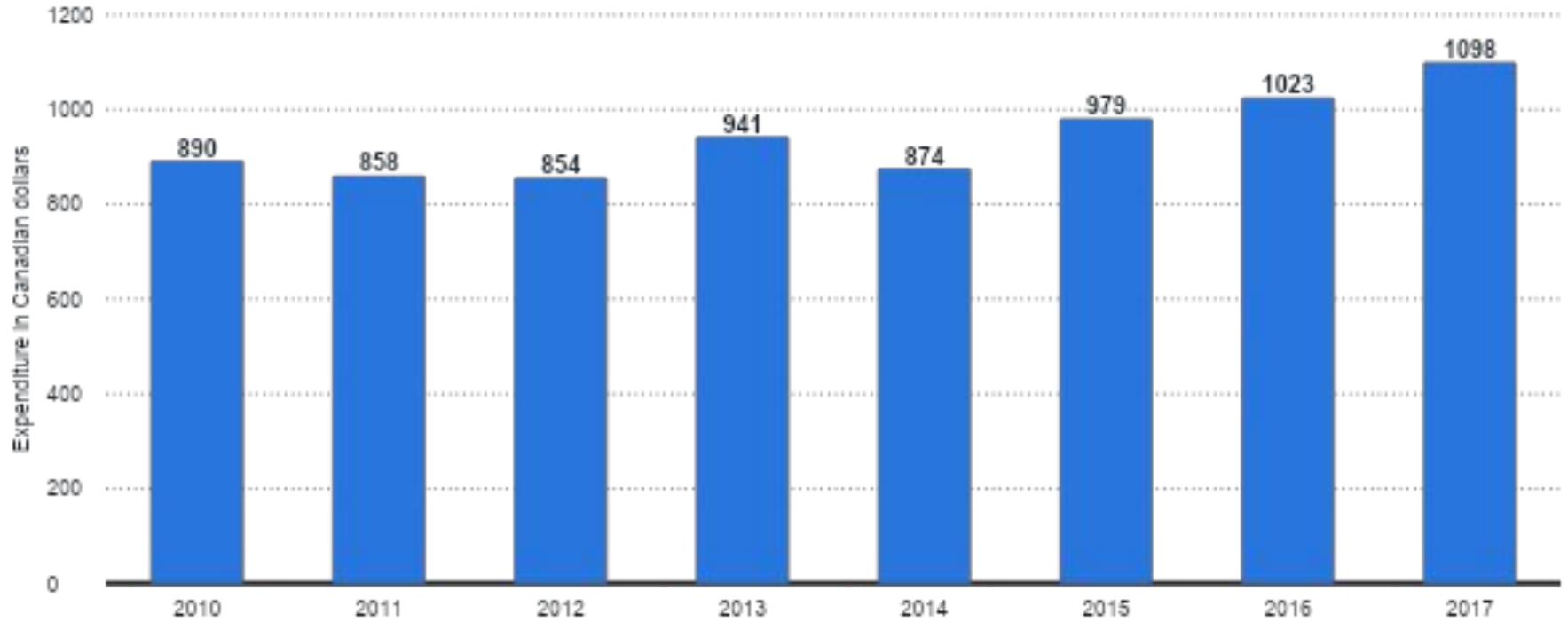
Canada: Monthly liquor stores sales increasing

- Monthly Sales is growing year over year
- Sales primarily driven by lifestyle choices and increasing immigrant population

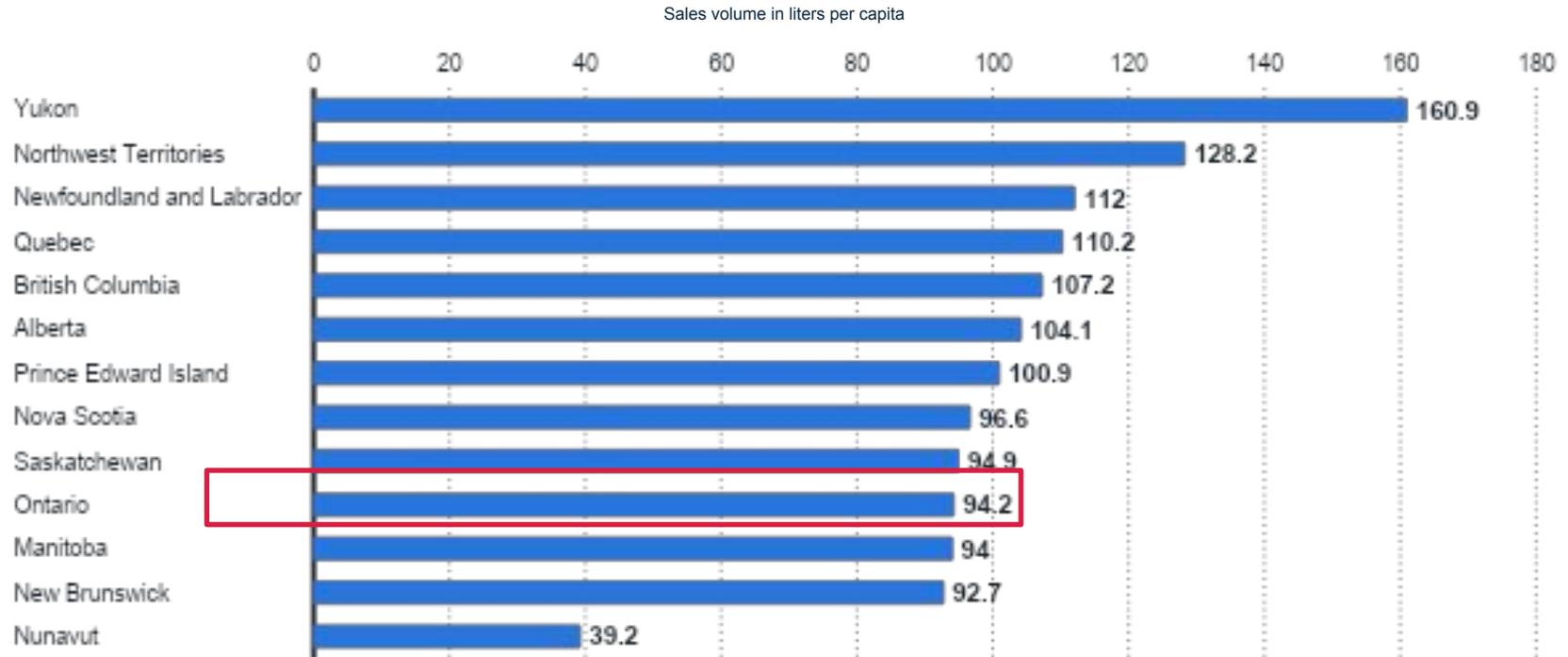


Source: StatCan

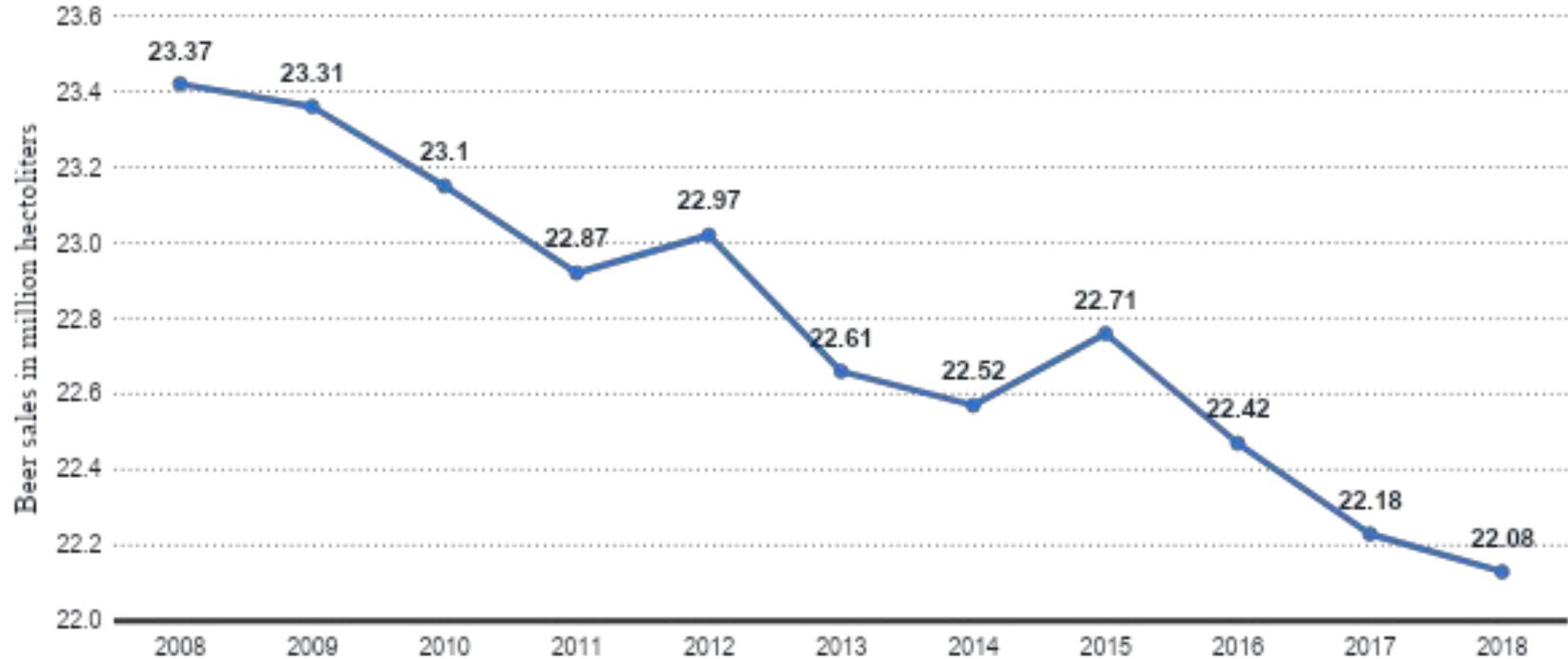
Canada: Average Annual Household expenditure is increasing



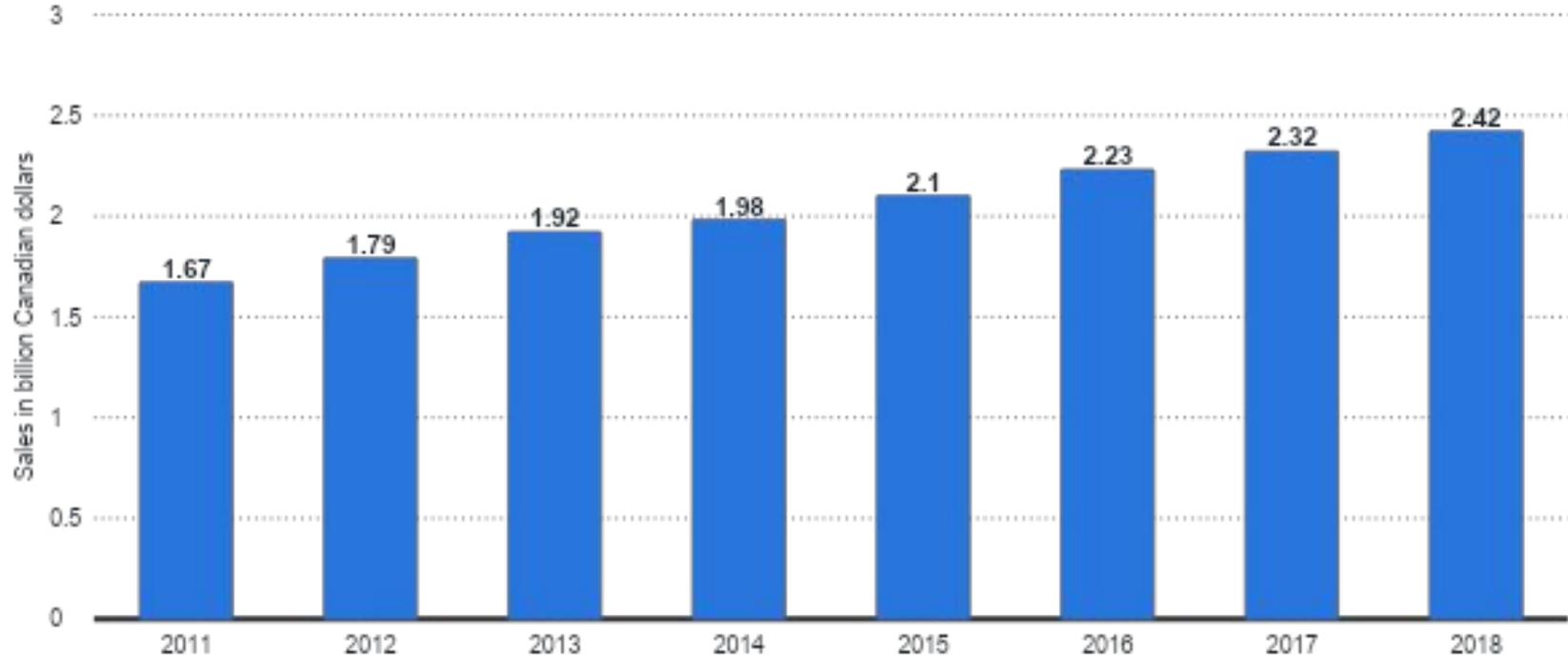
Canada: per capita sales volume by province



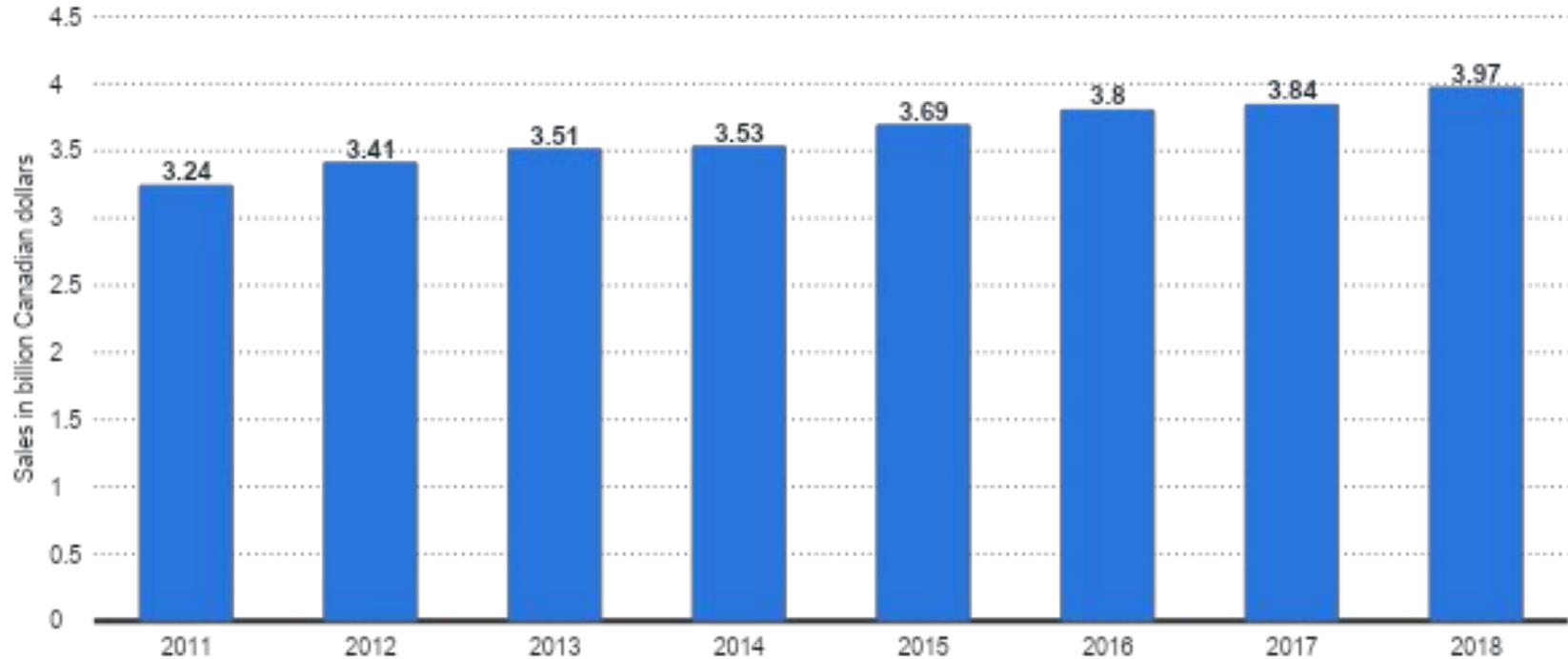
Total Beer sales in Canada is decreasing



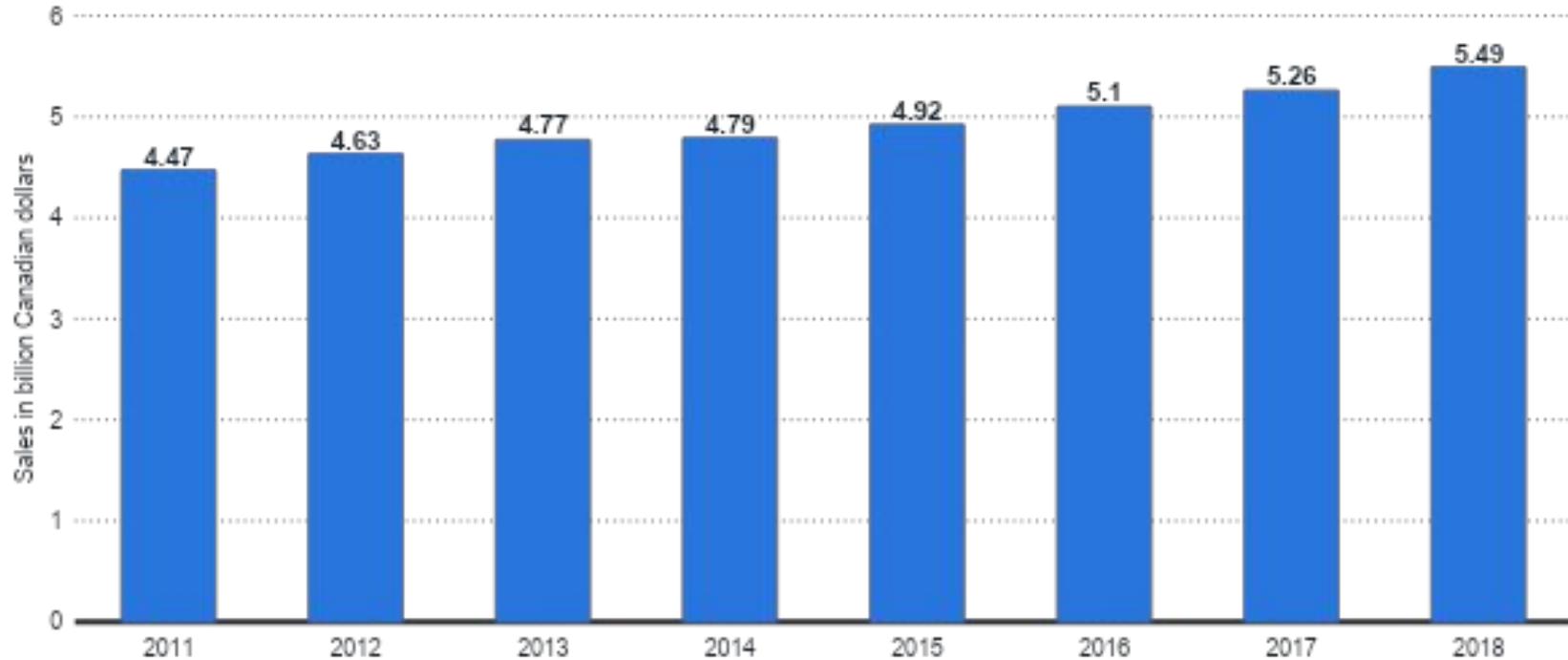
White Wine dollar sales in Canada: Increasing



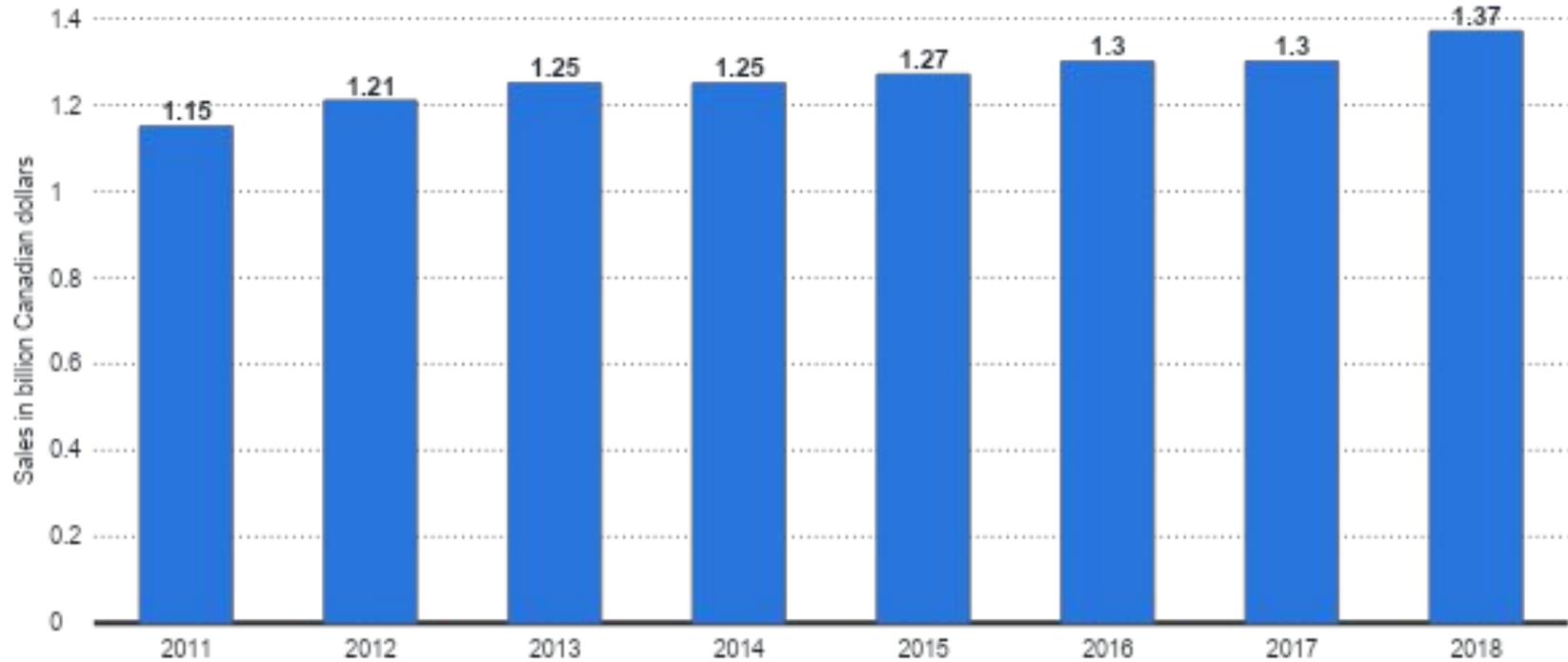
Red Wine sales in Canada: Increasing



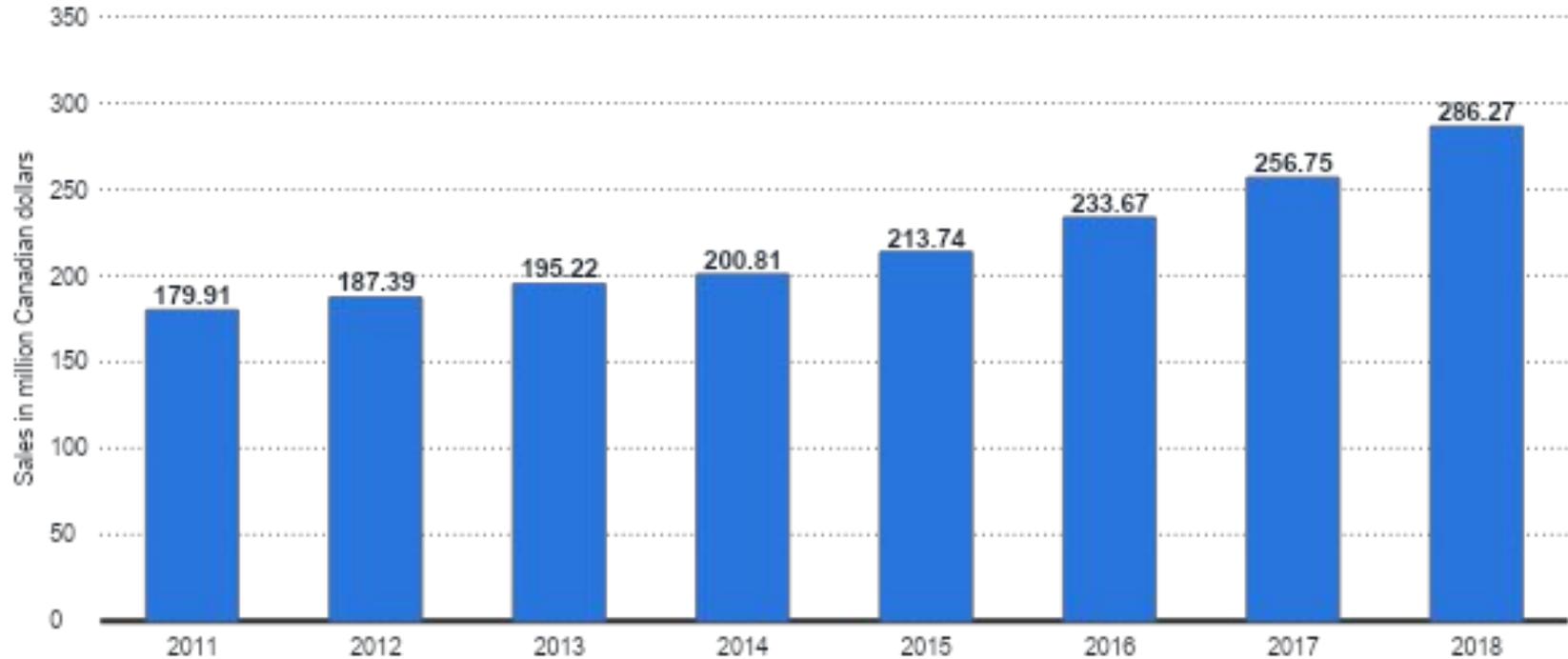
Spirits dollar sales in Canada: Increasing



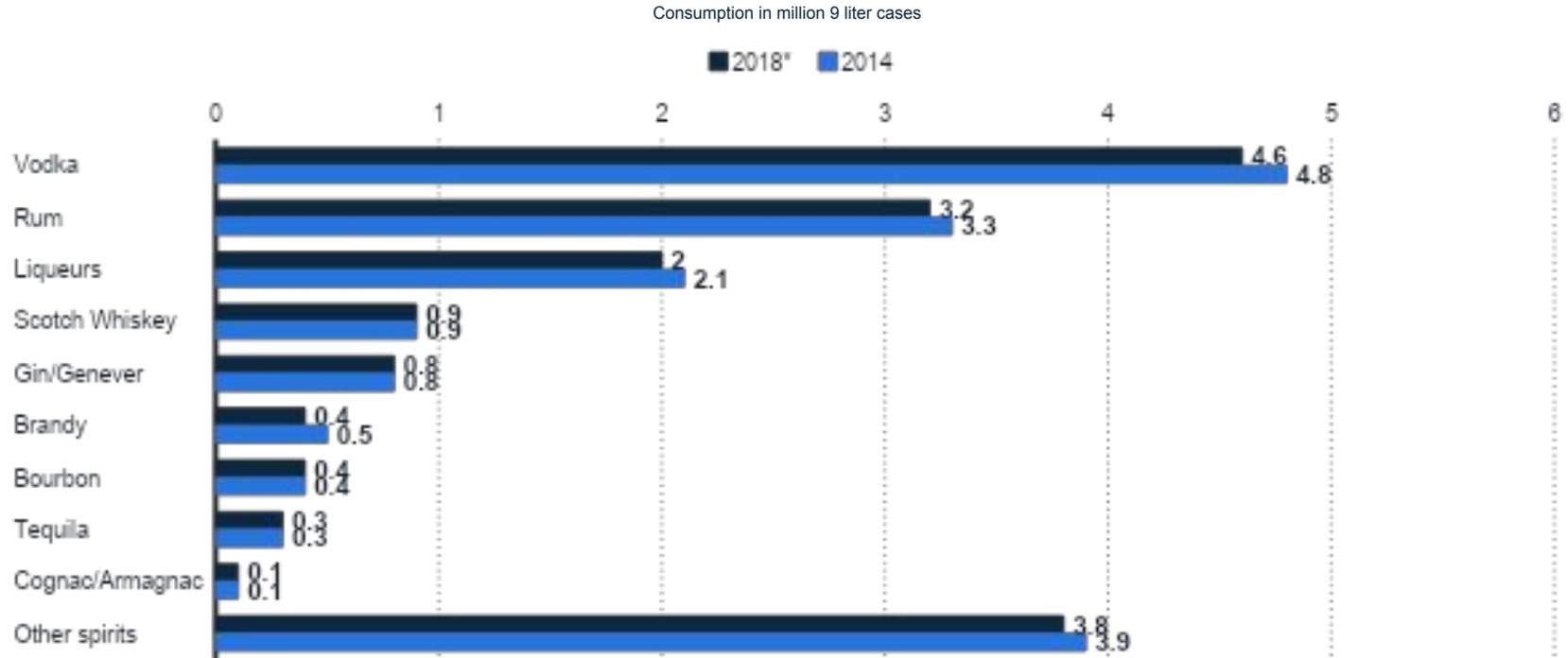
Vodka dollar sales in Canada: Increasing



Gin dollar sales in Canada: Increasing



Canada: Leading types of Spirits consumed in 2014 & 2018



Canada

Doing Business Library

- Canadian Association of Liquor Jurisdictions (CALJ)
- Liquor Control Board of Ontario

Alcoholic Beverages Regulatory Bodies: Canada



Canadian Association of Liquor Jurisdictions

- Main Liquor regulatory body for distribution across Canada
- Main Contact for Ontario:

Dr. George Soleas, President - LCBO

55 Lake Shore Blvd. East
Toronto, Ontario M5E 1A4
Phone: 416-864-2453

Fax: 416 - 864-2476

Email: George.Soleas@lcbo.com

Liquor Control Board of Ontario

- Main distribution body in Ontario
- Key resources can be accessed at <http://www.doingbusinesswithlcbo.com/tro/Forms-Documents/pmpp/files/assets/basic-html/toc.html>
- For importing products into Ontario, LCBO agents from Policy and Government relations can be reached at (416) 864-6817

Alcoholic Beverages Regulatory Bodies: Canada

Canadian Association of Liquor Jurisdictions

[Website link](#)

SERVICES OFFERED:

- Main Liquor regulatory body for distribution across Canada

KEY CONTACT (ONTARIO):

- Dr. George Soleas, President - LCBO

55 Lake Shore Blvd. East
Toronto, Ontario M5E 1A4
Phone: 416-864-2453
Fax: 416 - 864-2476
Email: George.Soleas@lcbo.com

Liquor Control Board of Ontario (LCBO)

[Website link](#)

SERVICES OFFERED:

- Main distribution body in Ontario

KEY CONTACTS:

- For importing products into Ontario, LCBO agents from Policy and Government relations can be reached at (416) 864-6817
- Key policy and procedure resources can be accessed [here](#)

Key Findings: Alcoholic Beverages

- Current trade of AB between Peru and Canada is limited and very low
- Canada is a nation of beer lovers, but beer consumption is declining
- Market for Wine and Spirits in Canada is growing
- Growth mainly due to growing population, especially immigrants
- Peru can find market in Canada for Wines and Spirits
- Major distribution centre for Ontario is LCBO

Doing Business Library

Who is Who in the Industry

Canada

Doing Business Library

- Canadian Trade Commissioner Service for Peru
- Export Development Canada
- Toronto Board of Trade
- World Trade Centre Toronto
- TFO Canada

Canadian Trade Commissioner Service for Peru

[Website link](#)

Other URL: <http://www.peru.gc.ca>

SERVICES OFFERED:

- connection to network of international business contacts
- Advice and resources to facilitate trade between Peru & Canada, including: exporting, establishing company abroad, overcoming a market access issue, pursuing a JV or strategic alliance, participating in a global value chain, seeking technology and R&D partnerships

KEY CONTACTS: limacommerce@international.gc.ca

- **Ms. Gwyneth Kutz** - Ambassador
- **Mrs. Anouk Bergeron-Laliberté** - Commercial Counsellor, Senior Trade Commissioner
- **Mrs. Alexandra Laverdure** - Trade Commissioner, Mining, Oil and Gas
- **Mr. Diego Urbina** - Trade Commissioner, Clean Technologies, Consumer Products, Education

Export Development Canada (EDC)

[Website link](#)

SERVICES OFFERED:

- Help clients understand market and business environment
- Assistance connecting to business networks and building strategic relations
- Support with growing business abroad in Peru
- Regularly updated online resources about market risk and market landscape in Peru
- Financing advice
- Exporting advice and resources
- Trade-related news and insights [articles](#) and [subscriptions](#)
- Country profiles - [Peru Country Profile](#)

CONTACTS:

- [Email EDC](#)
- Call Trade Advisor - Weekdays 9 a.m. to 5 p.m. (Eastern) at 1-888-220-0047
- Product/service [inquiry form](#)

Toronto Board of Trade

[Website link](#)

SERVICES OFFERED:

- Activities stimulating “a vibrant, globally competitive Toronto region business community”
- Business Innovation Centre: meeting rooms/workspaces and other services
- Document certification
- Members insurance
- Online member directory and marketplace
- Networking events, speakers series, etc.

KEY CONTACTS:

- contactus@bot.com
- (416) 366.6811
- Contact form: [request for information](#)

World Trade Centre Toronto

[Website link](#)

SERVICES OFFERED:

- [Trade Accelerator Program \(TAP\)](#) for SMEs - consulting services and knowledge sharing
- [Market Activation Program \(MAP\)](#) - program offering outbound trade missions for Toronto region businesses seeking international opportunities
- [Scale-Up Institute](#) - customized market entry and growth programs for high-growth firms

CONTACTS:

- wtc@bot.com

TFO Canada

[Website link](#)

SERVICES OFFERED:

- Advice for trade with developing countries
- Webinars and industry information
- Trade fairs and events listings
- Services for [foreign suppliers](#)
- Services for [Canadian buyers](#)
- Services for [trade support institutions](#)
- Canadian customs tariff [search tool](#)
- Market information papers - [link](#)

CONTACTS:

- Telephone: 1.613.233.3925 Fax: 1.613.233.7860
- Canada Toll-Free: 1.800.267.9674
- Email: info@tfoCanada.ca

Ontario Ministry of Economic Development, Job Creation and Trade

[Website link](#)

SERVICES OFFERED:

- [Calendar](#) of international trade programs and events
- Ontario Investment and Trade Centre - [link](#)
 - Downtown meeting spaces for trade professionals
 - Library/lounge
- Export advising and resources
- Region- and country-specific seminars
- Trade mission organization
- [Trade fact sheets](#)

CONTACTS:

- Email: trade.officer@ontario.ca
-

SourceFromOntario.com (Government of Ontario)

[Website link](#)

SERVICES OFFERED:

- Online resource for international buyers to learn more about Ontario trade delegations
- Promote exports from Ontario
- Attract new companies, offices and facilities to Ontario
- Facilitate international research and innovation partnerships
- Industry profiles:
 - [Agri-food](#)
 - [CleanTech](#)
 - [Infrastructure](#)
 - [Mining](#)

CONTACTS:

- **Mr. Stefano Sanguigni**, Senior Manager, Ontario Trade & Investment Office Headquarter - stefano.sanguigni@ontario.ca
- **General Inquiries** - SourceOntario@Ontario.ca

CanExport (Trade Commissioner Service, Government of Canada)

[Website link](#)

SERVICES OFFERED:

- Online resource for international buyers to learn more about Ontario trade delegations
- Financial support and personalized advice from trade commissioners to help you identify potential markets, partnerships, and international opportunities
- Funding for [Canadian SMEs](#) for international expansion
- Funding for [Canadian national industry organizations](#)
- Funding for [Canadian innovators](#) to develop R&D collaborations to commercialize new innovative technologies through partnerships in foreign markets
- Funding and support for [Canadian communities](#) to increase FDI

CONTACTS:

- [Register](#) for newsletters, updates, connect to TCS via social media, etc. -

Magnet Export Business Portal

[Website link](#)

SERVICES OFFERED:

- Free delivery of targeted export events, resources and opportunities
- Help Canadian businesses succeed in reaching export markets, and grow their businesses with international customers
- Funding, talent, business opportunities

CONTACTS:

- Register via [website](#)

LatAm Startups

[Website link](#)

SERVICES OFFERED:

- Non-profit accelerator in Toronto that works exclusively with international startups
- Designated sponsor for Canada's Startup Visa program
- Helping international startups scale globally
- Newsletter

CONTACTS:

- Contact@LatAmStartups.org

Upcoming Event: Latin America Export Forum

[Website link](#)

WHAT IS IT?

Half-day seminar focused on exporting to Latin America and an afternoon of one-on-one meetings with market experts and export advisors.

The Forum will focus on the following markets: Mexico, Colombia, Argentina, Brazil, Chile, Perú and the Caribbean.

CONTACTS:

- Register for event via [event website](#)
-
- Fabiola Sicard, Area Director (Mexico) - Tel: 647-205-7133; Email: fabiola.sicard@ontario.ca

Peru

Doing Business Library

- Asociación de Exportadores (ADEX)
- Ministerio de Comercio Exterior y Turismo (OCEX)
- Sistema Integrado de Información de Comercio Exterior (SIICEX)
- Comisión de Promoción del Perú para la Exportación y el Turismo (PROMPERU)

Asociación de Exportadores (ADEX)

[Website link](#)

SERVICES OFFERED:

- Trade intelligence system - [link](#)
- Certificate of origin services - [link](#)
- Commercial visa for APEC member countries - [link](#)
- Commercial promotion assistance - [link](#)
- Legal information centre (Trade, tax, custom, labour) - [link](#)
- Advice on foreign trade - [link](#)
- Customized trade business services - [link](#)

KEY CONTACTS: sac1@adexperu.org.pe ; (511) 618 - 3333

- Leslie Cuba
 - 618-3333 ext: 5412
 - lcuba@adexperu.org.pe
- Miriam Yupton
 - 618-3333 ext: 5403
 - myupton@adexperu.org.pe
- Bleni Flores
 - 618-3333 ext: 5404
 - bflores@adexperu.org.pe

ADEX SMES

[Website link](#)

SERVICES OFFERED:

- Specialized services and products for small/medium-sized companies that are looking to start and strengthen their capacities to internationalize their company
- Guide and accompany SMEs to take advantage of various trade agreements
- Provide greater visibility to ADEX SMEs for commercial and articulate purposes with public and private entities

CONTACTS:

- **Miguel Bernaza** - mbernaza@adexperu.org.pe
- **Roberto Molero** - rmolero@adexperu.org.pe

Comisión de Promoción del Perú para la Exportación y el Turismo (PROMPERU)

[Website link](#)

SERVICES OFFERED:

- Information portal for export
- Tourism promotion
- Country brand promotion
- Brand campaign

KEY CONTACTS:

- Email: postmaster@promperu.gob.pe
- Phone 511) 616 73 00 - 616 7400

Sistema Integrado de Información de Comercio Exterior (SIICEX)

[Website link](#)

SERVICES OFFERED:

- Information portal: regional data, sector data, quality assurance, export regulations, commercial agreements, etc
- Market intelligence
- Commercial promotion ([trade fairs calendar](#))
- Negotiations and market entry assistance
- Training programs
- Newsletters and industry updates
- [Directory](#) of Peruvian exporters, foreign buyers, national logistics providers

KEY CONTACTS:

- Teléfonos: (511) 6167300 - 6167400
- sae@promperu.gob.pe - sae1@promperu.gob.pe

Recommendations

PCCC Service Offerings

PCCC's Primary Focus is SMEs from Peru & Canada

Who else is offering services specifically for SMEs from Peru?

ADEX
ASOCIACIÓN DE EXPORTADORES

 [ADEX SMEs](#)


**CÁMARA
DE COMERCIO
CANADÁ-PERÚ**

 [Link](#)

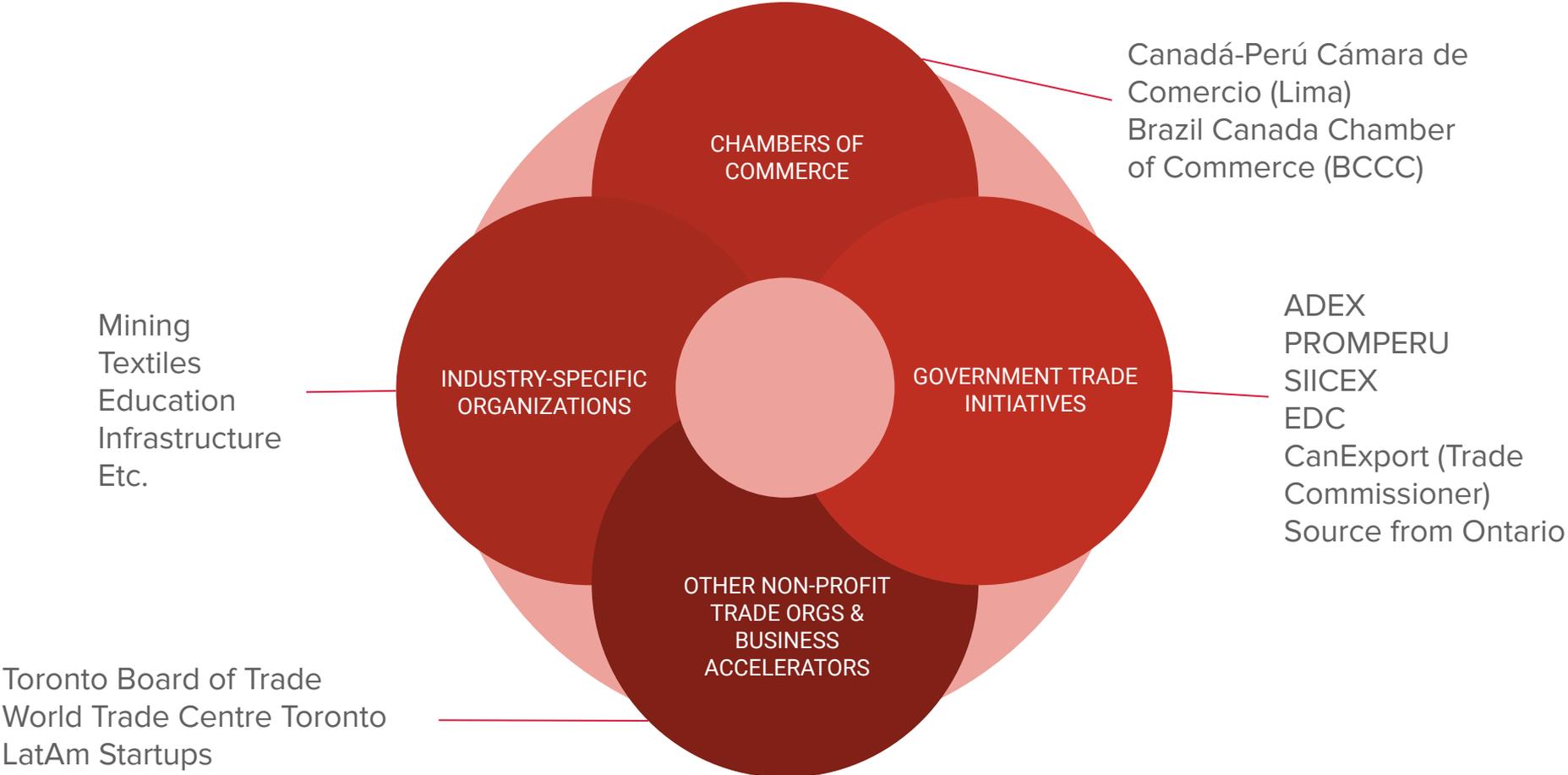

LATAM STARTUPS

 [Link](#)

What are they offering to members?

- Networking events
- Local and foreign business network
- Workshops & webinars
- Industry information & market insights
- Organized trade missions
- One-on-one advising
- Connections to visa and immigration support

Understanding Competitive Service Offerings



Sample Service Offerings: Competitors



Canadá-Perù Cámara de Comercio

Website	https://www.canadaperu.org/
Location	Lima, Peru
Industry Focus	Mining, Infrastructure, Sustainability, Energy, Education, Women's Committee? https://www.canadaperu.org/sites/default/files/archivos/one_page_membresias_cccp_2020_.pdf
Member Service Offerings	Networking Events, exclusive events & workshops, one-on-one B2B meetings, trade missions (mining, commercial, innovation & tech, education, energy, gastronomy), benefits program https://www.canadaperu.org/sites/default/files/archivos/one_page_membresias_cccp_2020_.pdf Institutional memberships for education offering specialized services https://www.canadaperu.org/sites/default/files/archivos/one_pager_educacion.pdf
Membership Categories	Membership levels available for Peruvian SMEs
Links	https://www.canadaperu.org/sites/default/files/archivos/directorio_pdac_2019_2.pdf

PCCC can leverage its assets to offer competitive services

PCCC's Key Assets

Tangible

- Team: Board of Directors
- Volunteers: local business students
- Organizational: laptop, PO Box
- Business Directory & Industry Info
- Contact List

Intangible

- Brand
- Business network: Canada & Peru
- Partnerships

Potential Solutions to Focus On

Advisory Services

Leverage connection with Schulich School of Business to connect SMEs looking for trade support with MBA student teams seeking a 601 site (capstone project) or internship ([through CGE](#))

Business Directory

Though many trade organizations offer a business directory, being located in Toronto, with a specific focus on SMEs, PCCC's business directory may offer contacts not specified by non-local directories. Leverage established partnerships to enrich service offerings and connect community members (i.e. Nourish Food Services: strategic marketing services)

Member Benefits

Attract more engagement and increase resources through exclusive offerings for members (i.e. reports, webinars, events)

