

# Trade balance with APEC economies favors Peru

Carlos Posada Ugaz, Executive Director of the Foreign Trade Research and Development Institute (**Idexcam**) of the Lima Chamber of Commerce (CCL), emphasized that Peru's trade balance with APEC member economies is favorable, driven by increased exports and foreign investment in the finance, communications, and mining sectors.

He stated that the Asia-Pacific Economic Cooperation (APEC) forum, established in **1989**, unites 21 economies from the bloc, being one of the most dynamic in the world. Its main objective is to foster prosperity in the region through the APEC Putrajaya Vision 2040.

Said vision focuses on three key areas: trade and investment; innovation and digitalization; a strong, balanced, secure, sustainable, and inclusive growth. Posada emphasized that APEC fosters high-quality economic development through collaboration on trade, human security, digital economy, and improving public policies. *«This forum is crucial for Peru to strengthen its ties with other member economies, as it allows its leaders to interact on equal footing»*, emphasized the Executive Director of CCL's Idexcam.

## The economic importance of APEC

Posada further noted that **APEC fosters regional economic integration and competitiveness**, facilitates the exchange of best practices and cooperative projects, as well as collaborates with other regional initiatives, such as the Association of Southeast Asian Nations (ASEAN), the World Trade Organization (WTO), the Regional Comprehensive Economic Partnership (RCEP), and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

*«In 2023, the value of goods traded among APEC member economies reached US\$13 trillion»*, he pointed out.

Posada mentioned that, in preparation for the APEC Peru 2024 meetings, an assessment was conducted to evaluate the impact of this forum on foreign trade and commercial exchanges with member economies. According to the officer, Peru's trade with APEC economies has seen a significant rise in recent years. In 2023, it reached US\$75.799 billion, reflecting a 52% increase compared to **US\$49.829 billion in 2013**.

The officer explained that over the past decade, both imports and exports between Peru and APEC economies have steadily increased. In 2023, the trade balance had reached US\$12.697 billion, reflecting a staggering 15,180% expansion compared to 2013.

## **Peru-APEC exports**

Posada highlighted that Peruvian exports to APEC economies have seen solid growth in recent years, ending 2023 with a value 77% higher than in 2013, reaching US\$44.248 billion.

## **Top Sectors in 2023**

- **Mining accounted for 69.75% of Peru's exports to APEC**, with a 15.55% increase in value compared to 2022.
- **Non-traditional agriculture made up 12.14% of the total**, showing a growth of 13.15% year-over-year.
- **Oil and natural gas contributed 3.89%**, although it experienced a decline of 44.03% compared to 2022.
- **Non-traditional fishing accounted for 2.61% of the total**, with a 15.44% increase in value compared to the previous year.
- **Textiles and apparel held a 2.43% share**, but saw a decline of 15.57% compared to 2022.
- **Traditional fishing accounted for 2.25% of the total**,

experiencing a 47.85% drop from the previous year.

- **Top exported products in 2023:** Copper ores and concentrates (+19.84% compared to 2022), unrefined gold (+23.28%), copper cathodes and sections of cathodes (-4.13%), iron ores and concentrates (-1.48%), lead ores and concentrates (+55.77%), and fresh grapes (+39.82%).
- **Top export destinations within APEC in 2023:** The People's Republic of China (52.32% share), the United States (20.73%), Canada (6.88%), South Korea (5.33%), and Japan (5.23%).

## Peru-APEC imports

Peruvian imports from APEC countries have shown variable growth in recent years, ending 2023 with a 27% increase in value compared to 2013, reaching a total of US\$31.551 billion.

### Key imported goods in 2023 included:

- Intermediate goods for industry accounted for **27% of the total**.
- Capital goods for industry made up **20.11% of the total**.
- Non-durable consumer goods represented **10.83% of the total**.
- **Top imported products:** Diesel 2, Diesel B5, smartphones, crude petroleum oils, and unleaded gasoline for motor vehicles.
- **Main countries of origin:** The People's Republic of **China** (40.27% share), the **United States** (32.58%), **Mexico** (5.37%), **Chile** (3.92%), and **Canada** (3.56%).

## APEC investments in Peru

APEC member countries have made significant investments in Peru. According to data from the Private Investment Promotion

Agency (ProInversion), the top investors in 2023 were Chile (US\$3.623 billion), the United States (US\$3.236 billion), the People's Republic of China (US\$1.139 billion), and Canada (US\$1.123 billion).

Additionally, in the first half of 2023, APEC members directed their investments primarily into the following sectors: finance (30.79% share), communications (20%), mining (19.13%), industry (11.63%), energy (8%), trade (3.48%), services (1.86%), and oil (1.60%).

*«As can be seen, trade between Peru and APEC economies has experienced steady growth over the past decade, with a positive trade balance of US\$12.697 billion in 2023»* , Posada emphasized.

Led by the **mining sector**, exports have increased, although some products, such as oil and natural gas, have experienced a decline. On the other hand, imports also grew, although certain consumer goods and capital goods saw decreases in 2023.

The People's Republic of China and the United States stand out as Peru's **top trading partners within APEC**, while foreign investments have benefited strategic sectors that drive the Peruvian economy.»In summary, and without a doubt, Peru's trade and investment relationships with APEC member countries have strengthened the Peruvian economy and boosted its growth in strategic sectors,» Posada concluded.

**Fuente: Andina ( con información de la revista «La Cámara»).**

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