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Committee on Agriculture

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NOTIFICATION

The following submission, dated 9 February 2024, is being circulated at the request of the delegation of **Peru**. The notification concerns domestic support commitments (**Table DS:1** and the relevant supporting tables) for the **calendar year 2020**.

Table DS:1

DOMESTIC SUPPORT: PERU

REPORTING PERIOD: CALENDAR YEAR 2020

Current Total Aggregate Measurement of Support

The only measures applied by Peru during the calendar year 2020 are those listed in attached Supporting Tables DS:1 and DS:2.

Supporting Table DS:1

DOMESTIC SUPPORT: PERU

REPORTING PERIOD: CALENDAR YEAR 2020

Measures exempt from the reduction commitment - "Green Box"

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value USD million	Data Sources	Note
1	2	3	4	
2. General services				
2 (a). Research	National Agricultural Innovation Institute (INIA). Pursuant to Legislative Decree No. 997 of 2008, the National Agricultural Research and Extension Institute was renamed the National Agricultural Innovation Institute. It runs programmes for technology generation, transfer and adaptation; production of seeds, seedlings, saplings and animals of high genetic value; technology transfer and training; and training in fruit production.	21.65	Ministry of Economy and Finance	(1)
	Payments for Competitiveness Programme. The programme, with support from regional and local governments, will meet part of the investment costs related to the adoption of technologies aimed at boosting the competitiveness of the agricultural production of small and medium-sized producers. It will also seek to promote partnerships by means of measures designed to cover expenditure related to the creation of agricultural associations.	16.47	Ministry of Economy and Finance	(1)
	Innovation and competitiveness projects and measures. A set of agricultural planning and promotion measures applied in the context of special projects and the Rural Agricultural Production Development Programme and by the central government, with a view to boosting production and profitability. It also includes measures to promote the development of scientific and technological knowledge.	28.85	Ministry of Economy and Finance	(1)
	Innovation and competitiveness measures carried out by regional and local governments.	15.73	Ministry of Economy and Finance	(1)
	Subtotal:	82.7		
2 (b). Pest and disease control	National Agrarian Health Service (SENASA). It operates a plant and animal health monitoring scheme and runs programmes to prevent and control pests and diseases, control quality and promote the proper handling of pesticides and biological agents, and the National Biological Control Programme.	41.57	Ministry of Economy and Finance	(1)
	Agrarian Health Development Programme (PRODESA). It is responsible for fruit fly control and eradication; the agricultural diagnostic laboratory; biological controls; institutional strengthening; agricultural health protection; agricultural health surveillance; the control of bovine brucellosis and tuberculosis; the control of caprine brucellosis; the control of mange in camelids; and the eradication of foot and mouth disease.	34.98	Ministry of Economy and Finance	(1)

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value USD million	Data Sources	Note
1	2	3	4	
	Health and disease and pest control projects and measures carried out by regional and local governments.	73.23	Ministry of Economy and Finance	(1)
	Subtotal:	149.78		
2 (d). Extension and advisory services	Measures to improve the productivity of agricultural producers. To provide technical assistance, training, and information transfer and other services to improve the productivity of rural farmers.	2.02	Ministry of Economy and Finance	(1)
	Technical assistance and information services provided by regional and local governments for agricultural producers.	6.07	Ministry of Economy and Finance	(1)
	Subtotal:	8.09		
2 (f). Marketing and promotion services	Measures to improve market access for rural agricultural producers. To improve the access of rural producers to domestic and international goods and services markets, by providing services, such as information and business training, as well as modernizing public agricultural sector management.	90.61	Ministry of Economy and Finance	(1)
	Andean Highlands and Wilderness Export Programme. Established pursuant to Law No. 28890, in October 2006, as amended by Law No. 30495 to extend its scope of application to areas of the Amazonian rainforest. It aims to promote, encourage and develop rural economic activities in the Andean highlands and Amazonian rainforest, with a focus on crop and livestock farming, aquaculture, production of crafts, textiles and jewellery, reforestation, agroforestry and tourism, as well as the processing and industrialization of the related products, thereby using the domestic and export markets as tools to combat poverty and create productive jobs.	1.67	Ministry of Economy and Finance	(1)
	Agricultural promotion carried out by regional and local governments. Activities undertaken at the regional and local level on agricultural organization; to promote agricultural and livestock production; to conserve renewable natural resources; and on rural development and outreach.	44.12	Ministry of Economy and Finance	(1)
	Subtotal:	136.4		
2 (g). Infrastructural services	Irrigation Subsectoral Project (PSI). To rehabilitate and upgrade irrigation and drainage infrastructure in order to make greater efficiency in water management standard practice for sustainable development. The purpose of the dam component is to upgrade and rehabilitate the hydraulic infrastructure and valve and gate control equipment. Work is also under way on an information and training system for users and user associations, to make the services offered available to them.	45.71	Ministry of Economy and Finance	(1)
	Irrigation infrastructure management. To promote measures for the management and maintenance of hydraulic infrastructure works, with the aim of achieving sustainable agriculture. It also includes measures implemented in the context of AGRORURAL, central government and special projects, that seek to improve access to and enhance the efficient use of water resources in agricultural activities.	106.98	Ministry of Economy and Finance	(1)
	Regional and local government irrigation infrastructure programmes. To promote measures for the management and maintenance of hydraulic infrastructure works, with the aim of achieving sustainable agriculture.	331.06	Ministry of Economy and Finance	(1)
	Special Rural Transport Infrastructure Project (Decentralized PROVIAS). To carry out transport infrastructure works involving the maintenance and upgrading of rural and secondary roads.	106.93	Ministry of Economy and Finance	(1)

Measure Type	Name and description of measure with reference to criteria in Annex 2	Monetary value USD million	Data Sources	Note
1	2	3	4	
	Natural disaster prevention works. To make better use of available water resources, by carrying out activities to mitigate the possible damage caused by floods and overflowing rivers, and to ensure the irrigation of crops in various valleys in Peru. It includes measures taken by the central government, special programmes and projects, as well as those of regional and local governments.	59.98	Ministry of Economy and Finance	(1)
	Subtotal:	650.66		
2 (h). Other general services	National Water Authority (ANA). The Authority implements measures for the multisectoral and sustainable use of water resources from river basins, in the context of integrated natural resource management and national environmental quality management, establishing strategic alliances with regional and local governments, and all relevant social and economic actors.	32.05	Ministry of Economy and Finance	(1)
	National Forestry and Wildlife Service (SERFOR). The Service is responsible for promoting the sustainable use, conservation and protection of forest and wildlife resources, managing access to genetic resources, and implementing Peru's international commitments in respect of forests and wildlife.	14.13	Ministry of Economy and Finance	(1)
	Natural resource management and protection measures. They focus on two main areas: protection of flora and fauna; and soil conservation. The flora and fauna protection measures include management and development of protected natural areas; wild flora and fauna management; forestry management; environmental surveillance and control; use of the rural environment; and studies and projects relating to natural resources. They also include natural resource protection measures implemented in the context of regional and local government and special projects.	27.98	Ministry of Economy and Finance	(1)
	Subtotal:	74.16		
	Subtotal General Services	1,101.79		
4. Domestic food aid	"Qali Warma" National School Nutrition Programme. To implement measures designed to guarantee a food service for preschool children (from three years of age) and primary school children in State educational establishments.	318.58	Ministry of Economy and Finance	(1)
	Subtotal:	318.58		
7. Income insurance and income safety-net programmes	Agricultural funds. To strengthen markets by promoting competitiveness and access to guarantees. They include the Guarantee Fund for Rural Areas and Agricultural Insurance (FOGASA).	19.6	Ministry of Economy and Finance	(1)
	Subtotal:	19.6		
Grand Total Green Box		1,439.97		

Note:

(1) Source: Ministry of Economy and Finance: <https://apps5.mineco.gob.pe/transparencia/Navegador/default.aspx>.

Supporting Table DS:2

DOMESTIC SUPPORT: PERU

REPORTING PERIOD: CALENDAR YEAR 2020

Measures exempt from the reduction commitment - Special and Differential Treatment - "Development Programmes"

Measure Type	Name and description of measure with reference to criteria in Annex 6.2	Monetary value USD million	Data Sources	Note
1	2	3	4	
(a) Investment subsidies generally available to agriculture	Loans granted to agricultural producers who benefit from the interest rate differential. The interest rate differential corresponds to the active rate applied by the Agrarian Bank and the average active interest rate applied by the banking system.	31.52	Agricultural Bank (Agrobanco)	(1)
	National Government Guarantee Programme for Agricultural Business Financing (FAE-AGRO). The programme guarantees working capital loans for small agricultural producers engaged in family farming, as defined in Law No. 30355 on the promotion and development of family farming, with a view to ensuring a successful 2020-2021 crop year for both temporary and permanent crops. It seeks to promote livestock activities and ensure the domestic food supply, as indicated in Emergency Decree (DU) No. 082-2020.	2.79	Development Finance Corporation (COFIDE)	(2)
	Subtotal:	34.31		
(b) Input subsidies generally available to low-income or resource-poor producers	Rural Agrarian Production Development Programme (AGRORURAL). The agricultural input assistance component ensures farmers' production as a disaster prevention measure. It delivers agricultural and livestock inputs to farmers in rural areas as a preventive measure against increasing climate variability.	6.05	Ministry of Economy and Finance	(3)
	Regional and local governments. The agricultural input assistance component ensures farmers' production as a disaster prevention measure. It delivers agricultural and livestock inputs to farmers in rural areas as a preventive measure against increasing climate variability.	1.13	Ministry of Economy and Finance	(3)
	Subtotal:	7.18		
(c) Support for diversification from growing illicit narcotic crops	National Commission for Development and a Drug-Free Life (DEVIDA). Its Comprehensive and Sustainable Alternative Development Strategy seeks to establish credibility to recover communities and valleys under the influence of the illegal drug trade. The first phase includes post-eradication measures (socialization, community organization, productive promotion and other immediate relief actions), partnership building, financing, registration and basic infrastructure.	16.51	Ministry of Economy and Finance	(3)
	Productive restructuring in the valley of the Apurímac, Ene and Mantaro rivers (VRAEM). This programme seeks to dissociate rural	14.01	Ministry of Economy and Finance	(3)

Measure Type	Name and description of measure with reference to criteria in Annex 6.2	Monetary value USD million	Data Sources	Note
1	2	3	4	
	families from illicit crops and incorporate them into lawful and sustainable economic activity. Measures that seek to raise the rural development level using a territorial approach, in a competitive, sustainable, inclusive, coordinated and multisectoral manner, involving the relevant public and private actors, with a view to addressing the existing critical situation and ensuring greater involvement of the State in the creation of local opportunities for the development of economic activity, with an emphasis on the inclusion of disadvantaged families.			
	Subtotal:	30.52		
Grand Total Development Programmes		72.01		

Note:

- (1) Investment subsidies have been calculated by multiplying the total amount of direct (first-tier) loans granted by Agrobanco by the differential between the annual average active interest rates applied by Agrobanco and by the conventional banking system, as published by the Supervisory Authority for Banks, Insurance and Pension Funds (SBS). The Agrobanco average active interest rate corresponds to the rate for direct loans, while the active interest rate applied by the conventional banking system corresponds to business operations related to production activities (loans to micro-enterprises). The resulting amounts were converted into US dollars using the annual average nominal PEN/USD exchange rate published by the Central Reserve Bank of Peru (BCRP). Data used: Agrobanco interest rate: 16.0%. Banking system interest rate: 30.09%. Total loans: PEN 780.716 million. Exchange rate: PEN 3.49 = USD 1.

Sources:

Agrobanco: <https://www.agrobanco.com.pe>.

SBS: <https://www.sbs.gob.pe/estadisticas-y-publicaciones/estadisticas-/sistema-financiero>.

- (2) Source: COFIDE, <https://www.cofide.com.pe/detalles1.php?id=1>.
- (3) Source: Ministry of Economy and Finance, <http://apps5.mineco.gob.pe/transparencia/Navegador/default.aspx>.