

The CPTPP, an opportunity to develop Peruvian exports

The possible reincorporation of the US into the Comprehensive and Progressive Agreement for the TPP (CPTPP), which would make this the second most important bloc in the world, as it would account for more than 25% of the global gross domestic product, represents an opportunity to develop Peruvian exports, said the president of the Association of Exporters (ADEX), Juan Varillas Velasquez.

Varillas Velasquez said that the strategic value for Peru is that they are adapting their economy to what will soon be the general rules of global trade. The CPTPP represents 10% of the world economy and if the United States returns to it, it would surpass the importance of the European Union. "Peru must be very aggressive in its policies to attract capital and promote its exports," he said.

From a commercial point of view, Peru already has Free Trade Agreements with several countries of the bloc, but the country's export potential would be increased with destinations such as New Zealand, Vietnam, Malaysia, and Brunei. However, since they are new markets, they wouldn't have a significant impact in the short term; they would have an impact in the long term. Thus, it is necessary to improve the country's export competitiveness and productive capacity.

According to Varillas, the entry into force of this comprehensive treaty would favor the most food and minerals, due to the high demand for said products. "The challenge is that all of Peru's natural resources have some degree of transformation and are inserted in the bloc's big global chains," he said.

The CPTPP will allow Peruvian companies to establish commercial strategies and investment and development plans, such as associating with other companies to export to a certain market or being part of the production chain of larger companies. For example, a Peruvian agro-exporter can ally with a Mexican exporter to produce and sell grapes to Singapore.

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