India-Peru Relations

Political Relations

India established diplomatic relations with Peru in March 1963. Until 1969, the Indian Ambassador in Chile was concurrently accredited to Peru. In September 1969, India opened its resident mission in Lima, Peru. The first resident Indian Ambassador in Lima took charge in November 1973. India-Peru relations have traditionally been cordial and friendly. Since the 1990s, there has been an increasing economic and business content to the relationship. On the Peruvian side, an enhanced interest in the Asian region due to APEC membership, coupled with India’s image as a technologically advanced democratic developing country, as well as increased bilateral trade in recent years, has enhanced India’s importance. India and Peru cooperate closely on multilateral matters.

Recent VVIP/VIP visits from India to Peru: President Shri K. R. Narayanan (1998); EAM Shri Yashwant Sinha (2003); MoS Defence Rao Inderjit Singh (2006); MoS External Affairs Dr. Shashi Tharoor (2010); Minister for Housing, Urban Poverty Alleviation & Tourism Kumari Selja (2010); MoS (C&I) Shri Jyotiraditya Scindia (2010); Vice President Shri M. Hamid Ansari (2013); MoS Railways Shri Adhir Ranjan Chowdhury (2014); MoS for Environment, Forests & Climate Change Shri Prakash Javadekar (for COP20 – December 2014); Minister for Small Scale & Minor Industries and Tourism of Karnataka, Shri R.V. Deshpande visited Peru for a roadshow Invest Karnataka (August 2015); Minister for Finance, Corporate Affairs and Information & Broadcasting Shri Arun Jaitley (participated in World Bank/IMF Annual Meetings and Meetings of G24 and the Commonwealth FMs – October 2015), MOS Railways Shri Rajen Gohain transited through Lima on 19 & 22 April 2018 on his way to La Paz. Vice President Shri M. Venkaiah Naidu visited Peru from 10-12 May 2018, MOS Labour and Employment Shri Santosh Kumar Gangwar transited through Lima on 4 September 2018, MOS External Affairs Shri V. Muraleedharan was on a bilateral visit from 22-24 August 2019. Secretary (East) visited Lima for the first India-Peru Joint Commission Meeting held on June 21, 2017; Secretary (Mining) visited Peru from 12-14 September 2018.

Recent VIP / VVIP visits from Peru to India: President Alan Garcia (1987) - Chief Guest for Republic Day; President Alberto Fujimori (1997); Minister for Foreign Affairs and Tourism Mr. Alfredo Ferrero (2006); Vice Minister for Defence Mr. Rafael Aita Campodonico (2009) to attend “Aero India 2009”; Minister for Trade and Tourism Mr. Eduardo Ferreyros (2011); Vice Minister of Environment Mr. Hugo Cabiese (2011); Vice Minister of Foreign Affairs Ambassador Jose Beraun Aranibar (2012); Vice Minister for Foreign Trade Mr. Edgar Vasquez (August 2014); Vice Minister for Foreign Trade Mr. Edgar Vasquez (March 2017), Energy and Mines Minister Mr. Francisco Ismodes (October 2018).

Parliamentary contacts: In January 2003, two Vice-Speakers from the Peruvian Congress visited India to participate in the celebrations for the 50th anniversary of the Indian Parliament. On 30 April, 2003, the Peruvian Congress reactivated the Peru-India Parliamentary Friendship League. In December 2007, the India-Peru Parliamentary Friendship Group was formed in the Indian Parliament. A 17-member Peru-India Parliamentary Friendship League was inaugurated on 13th December 2011. In April 2013, for the first time, an eight-member Peruvian parliamentary delegation led by Ms. Lourdes Alcorta Suero, Congresswoman and the President of the Peru-India Parliamentary Friendship League, paid an official visit to India. Four Indian Members of Parliament accompanied Vice President Shri M. Hamid Ansari on his official visit to Peru in October 2013. A Peru-India Parliamentary Friendship League headed by Mr.
Roy Ventura Angle was constituted by the Congress of Peru in 2016. A multi-party parliamentary delegation accompanied Hon’ble Vice President during an official visit to Peru in May 2018.

Agreements: Many bilateral agreements have been signed by the two sides over the years, covering a wide range of cooperation areas. Some of the more recent ones include Customs Cooperation Agreement, Cooperation in New and Renewable Energy, Defence Cooperation Agreement, Establishment of a Joint Commission, Educational Exchange Programme, and MoU on Cooperation in Geology and Mineral Resources. A number of other agreements such as Mutual Legal Assistance in Criminal Matters, Extradition Treaty, Air Services Agreement, Social Security, MOUs on Safety and Distribution of LPG; Establishment of Academic Chair; Cooperation in Archives; Cooperation in Health; Cooperation in Medicinal Plants are being negotiated. In the light of complementarities of bilateral trade between India and Peru, both sides have agreed on negotiations for a Comprehensive Trade Agreement. Following completion of a Joint Study on feasibility of a Trade Agreement in September 2016, the trade negotiations were commenced in August 2017 with the first round held in New Delhi. The second round (from 9-12 April 2018 in Lima), third round (4-7 December 2018 in New Delhi), fourth round (11-15 March 2019 in Lima) and fifth round (20-22 August 2019 in New Delhi) have been held so far. The next round of negotiations is likely to be held in Lima in April 2020.

Institutional Mechanisms: The 4th India-Peru Foreign Office Consultations were held in New Delhi on 13th July 2012 after a gap of seven years. The first meeting of the newly established Inter-governmental Joint Commission was held in Lima on 21 June 2017 headed by Secretary (East) from the Indian side and Vice Minister of Foreign Affairs from the Peruvian side. The mutually convenient dates for the second Joint Commission Meeting, which is due in New Delhi, are being finalized.

Assistance to Peru: The India-Peru Centre for Excellence in Information Technology (IPCEIT) set up in Lima with the assistance of the Government of India commenced academic courses from March 2015. India offers to Peru regular training courses under its ITEC programme which is gaining popularity in Peru with more than 400 candidates having attended various courses so far. During 2019-20, Peru has been allotted 60 ITEC slots and additional 5 slots for master training in solar energy. Peruvian diplomats have been attending the PCFD courses at the Foreign Service Institute. Peruvian defence personnel have also attended defence courses in India. Two experts from CONIDA (National Commission for Aerospace Research and Development) have also attended the UNNATI (UNIspace Nanosatellite Assembly and Training) programme conducted by ISRO from 15 October – 15 December 2019 at Bengaluru.

India gave an amount of US$ 500,000 to the Government of Peru as disaster relief assistance in the wake of a severe earthquake which took place on 15 August 2007. India has extended financial assistance of US $26,222 for afforestation of a park in Lima named after Mahatma Gandhi. India contributed an amount of US$ 150,000 in June 2017 towards reconstruction work in northern Peru affected by heavy rains and floods due to the El Niño phenomenon.

Commercial Relations

Trade between India and Peru is growing, with trade crossing the US $1 billion mark in 2011-12 and the US$3 billion mark in 2017-18. During 2018-19, the total trade was US $ 3.126 billion.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>India’s exports</td>
<td>819.86</td>
<td>703.12</td>
<td>699.05</td>
<td>760.68</td>
<td>721</td>
</tr>
<tr>
<td></td>
<td>(32.11%)</td>
<td>(-14.2%)</td>
<td>(-0.58%)</td>
<td>(9.23%)</td>
<td>(-5.21%)</td>
</tr>
<tr>
<td>India’s imports</td>
<td>590.39</td>
<td>820.22</td>
<td>1076.69</td>
<td>2376.86</td>
<td>2,405</td>
</tr>
<tr>
<td></td>
<td>(12.63%)</td>
<td>(38.93%)</td>
<td>(31.27%)</td>
<td>(120.76%)</td>
<td>(1.20%)</td>
</tr>
<tr>
<td>Total</td>
<td>1410.25</td>
<td>1523.34</td>
<td>1775.74</td>
<td>3137.54</td>
<td>3,126</td>
</tr>
<tr>
<td></td>
<td>(23.19%)</td>
<td>(8%)</td>
<td>(16.57%)</td>
<td>(76.95%)</td>
<td>(-0.35%)</td>
</tr>
</tbody>
</table>

Source: DGCI & S, Department of Commerce, Government of India

Peru represents the 4th largest export as well as import destination for India in Latin America. According to Peruvian data, the two-way trade in 2018 calendar year crossed US$3,383 million with India’s exports at US $902 million and imports at US $2,481 million during which India had emerged as the 3rd largest export destination, 13th largest source of imports and 5th largest trading partner of Peru. In 2019 calendar year, the two-way trade stood at $2,667 million with India’s exports at US $880 million and imports at US $1,787 million. India’s main exports to Peru include automobiles, motorcycles and three-wheelers, polyester and cotton yarns, pharmaceuticals, iron and steel products, plastic products, rubber, pipes for oil and gas industry, tyres, pipes etc. Main imports from Peru are gold, copper, synthetic filaments, phosphates of calcium, fresh grapes, fish flour, etc.

Several trade missions/business delegations have visited Peru representing sectors such as pharmaceuticals, leather, chemicals, engineering, apparel, cotton yarn, synthetic & rayon, handicrafts, plastic, food processing, and automotive parts. In 2019-20, five trade missions have so far visited Lima. These were led by PHARMEXCIL in August 2019, EEPC (Engineering Export Promotion Council) in October 2019, Council for Leather Exports in October 2019, Apparel Export Promotion Council in October 2019, and TEXPROCIL (Cotton Textiles Export Promotion Council) in January 2020. The India Trade Promotion Organization organized a retail fair in Lima in March 2019.

Investments: Five Indian companies have currently invested in the mining sector in Peru. It is estimated that their present investment is to the tune of US $30 million. The Archean group – which has two companies in Peru – is one of the largest companies in Peru for Anthracite coal concessions. This will continue to grow every year as the mines reach more advanced stages and other mining companies look for mining assets. In addition, in 2010, IFFCO acquired a major stake in a large phosphate mining operation in northern Peru, called Bayovar. Similarly, Zuari Agro, partnering with Mitsubishi, acquired a 30% stake in a large rock phosphate reserve in Peru. Tata Consultancy Services have a sizeable operation in Lima and is increasing its presence in Peru. Tech Mahindra also has a significant presence in Peru after the acquisition of the Israeli company LeadCom. Indian company Redbus belonging to the ibibo.com group has acquired majority stake in the Peruvian company Busportal.pe. All major Indian pharmaceutical companies have their representative offices or local subsidiaries here. Indian automobile firms Bajaj Auto, TVS, Hero Motors and Mahindra & Mahindra have local dealerships for selling/servicing motorcycles, three wheelers, pickups and SUVs.

AJE Peru has opened a subsidiary in Maharashtra, AJE India Pvt. Ltd. manufacturing soft beverages. The operations started in December 2010. They have invested US $15 million so far and plan to increase this in the future. A major Peruvian company, Resemen S.A.C., which specializes in mining machinery, has opened a subsidiary in New Delhi by the name of Reliant Drilling Ltd., following a major contract it has won from Hindustan Zinc Ltd. Several other mining services companies of Peru have set up
operations in India such as Opermin and AAC Mining Executors Ltd. Lubricants major Vistony has set up a plant near Rewari (Haryana) and another plant in Delhi.

Cultural Relations

The 50th anniversary of the establishment of diplomatic relations between India and Peru was celebrated on 25 March 2013. During the ceremony, a special postal stamp depicting Taj Mahal and Machu Picchu was issued. A draft Cultural Exchange Programme is under discussions. ICCR sponsored troupes have visited Peru and given performances. The Indian Cultural Centre under the Embassy, with the help of a resource person posted by ICCR, conducts regular classes on AYUSH (lectures and workshops on Ayurveda and Yoga and extension activities with regional organizations), Hindi and the local Quechua language, Bharatanatyam, Kathak, Painting, Hindustani Music, Bollywood and theatre for kids. Documentaries on Indian culture have been screened and lecture demonstrations by experts have been organized at the cultural centre. The AYUSH Information Cell, set up with the help of Ministry of AYUSH, is promoting Ayurveda and other Indian traditional systems of medicine. A three-day workshop on “Healthy Aging through Traditional Systems of Medicine and Ayurveda” was held in Lima from 23-25 October 2019 in association with the Peruvian Ministry of Health. An expert on Ayurveda was deputed for this workshop by the Ministry of AYUSH. The International Day of Yoga (IDY) are being celebrated every year since 2015 at iconic locations, such as Machu Pichu, Caral Valley and prominent cities such as Lima, Cusco, Trujillo etc. Over 30 locals were trained to be Yoga trainers after they acquired QCI certificates as Yoga professionals.

Several events were organized to commemorate the 150th Birth Anniversary of Mahatma Gandhi. These included special talks, screening of documentaries on Mahatma Gandhi’s life and message at leading universities in Peru, tree plantation drives, a cycling event, painting and quiz competitions, and a vegetarian food festival. A ‘peace march’ with more than 1,000 community members along with students and children from 12 schools in San Juan de Miraflores was held on 2nd October 2019. Peruvian SERPOST will be releasing a special commemorative stamp on 17 February 2020 to mark the 150th Birth Anniversary of Mahatma Gandhi.

Indian Community

The size of the Indian community in Peru is small, numbering around 450, including PIOs, mainly engaged in business and trade. The volume of travel between Peru and India for tourism and business is growing. More Indian professionals are coming to Peru with the entry of Indian companies. In addition, there are some Indian nationals with the Missionaries of Charity and other Christian organizations in Lima, Chimbote and Puno.

Useful Resources:

Website: www.indembassy.org.pe;
Facebook: India in Peru & Bolivia ; Centro Cultural India ; Becarios del ITEC
Twitter: @eoilima and @CCultural_India
You Tube: India in Peru & Bolivia

****

31 January 2020