

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary _ Public

Date: 6/20/2013

GAIN Report Number:

Peru

Post: Lima

Annual Grape Report

Report Categories:

Fresh Fruit

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Report Highlights:

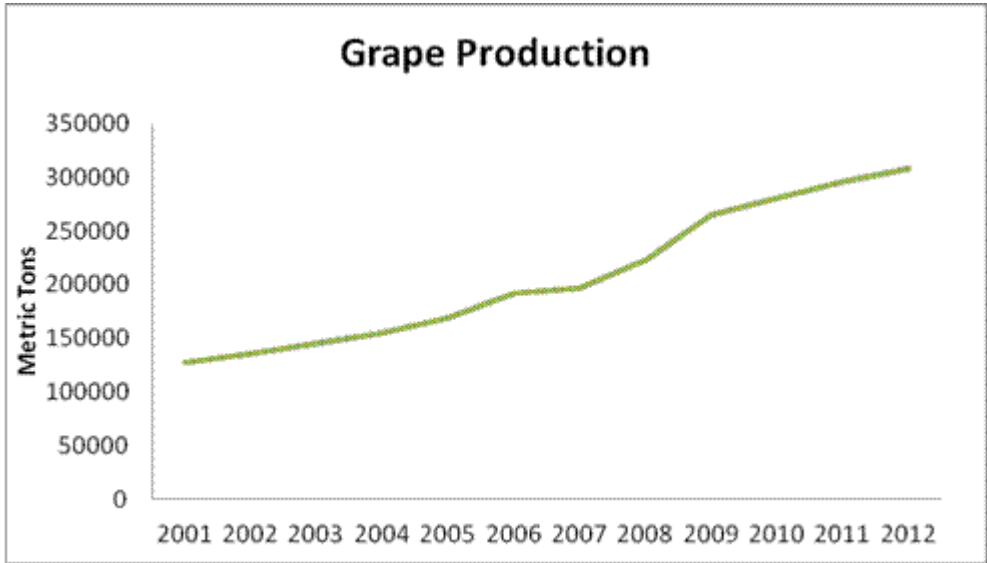
Grape production in Peru is estimated to reach 305,000 MT in CY 2013, of which 150,000 MT is exported. Peru's grape production have sky rocketed in the past decade, from practically non-existent in CY 2000 to an estimated 170,000 MT in CY 2013. Grapes have become one of Peru's main agricultural exports, totaling \$365 million in CY 2012.

General Information:

Production

Grape production in Peru is estimated to reach 305,000 MT in CY 2013, of which 150,000 MT is exported. Grape has become one of Peru’s leading exports driven by attractive prices and broad market opportunities. Grapes in Peru are mainly produced in the central valleys along the coast (Ica, Lima). However, new areas in the Piura and Lambayeque regions on the northern coast are rapidly developing. Peru produces mostly Red Globe (a dark red grape with a diameter of 24 to 28 millimeters). Other varieties produced are Crimson seedless, Flame seedless, Sugrone and Thompson seedless.

An important challenge that Peru needs to face to continue increasing its grape production is reducing the nematode charge per hectare. Other countries with colder weathers do not have a problem with this pest, but due to Peru’s mild weather this has become a serious problem. In the northern region (Piura) due to warm temperatures two harvests per year are possible which reduce the negative effect of nematodes. Peruvian producers are working of developing more resistant varieties.



Grape is one of the most expensive crops to establish. The initial investment is around \$37,000 per hectare without taking into account land cost. However, the return on investment is also high and at current international prices it is probably one of the most profitable crops. The following is an estimate of establishing a hectare of grapes and its cash flow.

	\$/Ha
Investment	

Item	
Soil preparation	6,237.42
Trellis material	10,296.20
Anti bird mesh	3,943.64
Plants	5,458.89
Drip irrigation	5,500.00
Machinery	4,353.54
Unexpected expenses	1,789.48
TOTAL	37,579.17

Cash Flow per Hectare (Red Globe on Central Coast)

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Balance	37,579	3,230	13,704	30,960	30,960	30,960	30,960	30,960	30,960	30,960	30,960
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Accumulated Balance	37,579	34,349	20,645	10,315	41,275	72,234	103,194	134,154	165,114	196,073	227,033

Trade

Peru's grape production have sky rocketed in the past decade, from practically non-existent in CY 2000 to an estimated 170,000 MT in CY 2013. Grapes have become one of Peru's main agricultural exports, totaling \$365 million in CY 2012. Peru's main grape markets in 2012 were the Netherlands 27,516 MT, followed by the United States with a total of 25,420 MT. Other important destinations in 2012 were Hong Kong, Russia, and China.

Total exports in 2012 were 149,000 MT.

