

Voluntary Report – Voluntary - Public Distribution

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Report Name: Pulses Situation Update

Country: Peru

Post: Lima

Report Category: Agricultural Situation, Agriculture in the News

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Report Highlights:

For calendar year (CY) 2022, Post forecasts pulses area harvested will increase by 3 percent and production will total 295,000 metric tons (MT) as a response to high international prices and shorter supply. Post estimates CY 2022 pulse imports to decrease to 40,000 MT due to higher domestic production, higher pulse prices, existing stocks, higher freight costs, and a strong U.S. dollar. The United States continues to be the second largest supplier for Peru's pulse imports.

Production:

Mainly driven by beans, pulse production in calendar year (CY) 2022 is forecast at 295,000 metric tons (MT), an increase of three percent over the previous year. FAS Lima estimates that production will increase due to increasing domestic demand, government support, and growing export markets.

Harvested area in 2022 is forecast at 220,000 hectares (ha), a three percent increase over the previous year. Pulses crops are produced year-round in Peru, with two main harvests in March-April and August-September. Roughly 70 percent of the total crop is harvested between March and July. Pulses are primarily produced by small farmers who operate on one to three hectares and are scattered throughout Peru. According to official data, 80 percent of land dedicated to pulses are small family farms, benefiting 140,000 families in 23 out of Peru's 24 regions.

In 2021, according to the Ministry of Agrarian Development and Irrigation (MIDAGRI) Peru produced 287,000 MT of pulses. Principal pulse crops in Peru include the common dry bean yellow colored canary (32%), fava beans (29%), dry green pea (18%), black eye (9%), tarwi (*Lupinus mutabilis*, 5%), pigeon pea (frijol de palo) 3%, baby and jumbo lima (1%), lentil (1%), zarandaja beans (1%), and ñuña beans (1%). Tarwi (also known as chocho or Andean lupin) is an Andean bean that is gaining popularity due its availability, price, and protein content.

According to official data, 51 percent of bean production occurs in the highlands region, one thousand meters above sea level. Coastal production accounts for 36 percent and the Amazon region produces 13 percent.

Table 1. Product Statistics & Data (PS&D) Code: Pulses (MT)

Pulses	CY 2019	CY 2020	CY 2021	CY 2022*
Area Harvested (thousand ha)	220	202	214	220
Production (MT)	270,800	270,000	287,00	295,000
Imports (MT)	99,418	151,783	111,09	100,000
Imports from U.S. (MT)	32,961	53,050	45,542	40,000
Total Supply (MT)	370,218	421,783	398,09	395,000
Exports (MT)	28,319	23,383	39,965	42,000
Total Consumption (MT)	341,899	398,400	358,13	353,000
Total Distribution (MT)	398,537	445,166	438,06	437,000

*FAS Lima forecast

Consumption:

Peruvians consume 80 percent of marketed pulses between May and November. Pulses are primarily sold dry due to accessibility in handling, convenience of transportation, storage, and shelf life. The Peruvian government is involved in promoting pulse consumption as a reliable and commonly available protein source and as part of a healthy diet.

Since 2016, the flow of Venezuelans to Peru increased from 7,000 residents to over 1.28 million migrants in 2022 according to UNHCR, the UN Refugee Agency. Peru is second to Colombia as the largest destination for Venezuelan migrants. Lima hosts 85 percent of Venezuelan migrants, representing an eight percent increase in Lima’s population. This increase is influencing local food consumption habits. Among the pulses category, black beans are emerging as a product of interest to this population segment.

Another emerging consumer trend is healthy and home-based consumption. High protein, low sugar, low salt, and low-fat foods are becoming more popular among Peruvian consumers. Due to COVID-19, the retail sector experienced a boom in delivery and online purchases. Supermarket chains never stopped their operations and were forced under the new circumstances to quickly adjust and improve their online operations. Supermarkets are gaining popularity with private label and branded packaged pulses. For legumes 450 and 500-gram plastic pack bags are popular in the retail sector.

About 65 percent of pulses are sold in warehouse districts where pulses are displayed and sold in bulk. Wholesalers then distribute pulses all over Peru through distributors, packers, and government programs. FAS Lima foresees a shift to the modern channel as consumers are increasingly moving to purchases on digital platforms. The category will continue modernizing and the traditional channel is expected to shrink by 20 percent in the next five years.

Trade:

Peru imported 111,097 tons of pulses in 2021, 27 percent less than the previous year. In terms of value, it represented a decrease of 18 percent to \$78 million. The decrease was principally driven by the COVID-19 pandemic restrictions, higher product prices, shorter supply, existing stocks, and higher freight costs. Under this new scenario, import flows for pulses were impacted.

Table 2. Peru’s Pulse Import Statistics - Quantity

Partner Country	Calendar Year (Quantity: MT)							
	2016	2017	2018	2019	2020	2021	%Δ 2021/20	MARKET SHARE
TOTAL	84,627	108,202	107,545	99,418	151,783	111,097	-27%	
Canada	31,137	46,342	49,159	53,082	81,700	55,901	-32%	50%
United States	36,370	48,719	37,858	32,961	53,050	45,542	-14%	41%
Mexico	7,138	7,406	12,016	5,368	10,097	4,837	-52%	4%
Ecuador	1,005	1,861	999	3,169	1,387	1,184	-15%	1%
Bolivia	1,236	955	1,932	2,228	3,241	2,179	-33%	2%
China	7,189	1,192	4,694	1,743	-	-	0%	0%
Others	554	655	517	668	833	1,454	75%	1%

Source: Trade Data Monitor, LLC

Total imports to Peru are forecast to decline to 100,000 metric tons in 2022 mainly impacted by high freight costs, high maritime traffic, and the U.S. dollar’s strengthening against the Peruvian Sol.

Table 3. Peru's Pulse Import Statistics - Value
Calendar Year (Value: USD)

Partner Country	Calendar Year (Value: USD)						
	2016	2017	2018	2019	2020	2021	%Δ 2021/20
TOTAL	72,239,556	93,619,435	73,531,461	57,004,144	95,448,504	77,991,986	-18%
Canada	24,640,504	38,378,638	27,890,466	27,424,038	43,776,158	39,016,015	-11%
United States	27,627,021	38,539,125	25,252,12	18,630,26	33,316,770	29,588,99	-11%
Mexico	11,016,024	11,408,050	12,378,664	5,205,585	13,456,975	5,326,388	-60%
China	6,864,024	1,222,529	5,626,526	2,087,670	-	-	0.00
Bolivia	827,441	710,167	1,210,768	1,404,555	2,098,342	1,602,086	-24%
Ecuador	766,580	1,368,289	295,935	1,392,808	799,287	850,384	6%
Others	497,963	1,992,637	876,978	859,225	2,000,970	1,608,116	-20%

Source: Trade Data Monitor, LLC

In 2021, Peru was the eighth largest destination in volume and value for U.S. pulses. In 2022, exports from the United States are forecast to reach 40,000 tons, a 30 percent decrease in quantity.

Table 4. Export Trade Matrix

Country	United States		
Commodity	Leguminous Vegetables, Dried Shelled (HS: 0713)		
Time Period	Calendar Year (CY) 2021		Calendar Year (CY) 2022*
Exports for:	Volume (MT)	Value USD (million \$)	Volume (MT)
TOTAL	1,120,671	870	
Canada	211,990	151	
Mexico	200,732	177	
China	60,147	27	
Ethiopia	55,714	29	
Italy	53,366	49	
Dominican Republic	43,191	40	
Pakistan	43,182	32	
Peru	45,542	30	40,000
Yemen	36,416	21	
Spain	35,493	27	

*FAS Lima Forecast

Source: Trade Data Monitor, LLC

The United States is the top destination for Peru's pulse exports in volume. In 2021, Peru's exports to the U.S. doubled from 5,601 MT to 11,760 MT. Mainly driven by beans, Peru's exports to the United States are expected to increase to 12,000 MT.

Table 5. Export Trade Matrix

Country	Peru		
Commodity	Leguminous Vegetables, Dried Shelled (HS: 0713)		
Time Period	Calendar Year (CY) 2021		Calendar Year (CY) 2022*
Exports for:	Volume (MT)	Value USD (million \$)	Volume (MT)
TOTAL	39,965	65	42,000
United States	11,760	18	12,000
South Korea	10,522	23	
Colombia	2,261	2	
Spain	1,739	3	
Ecuador	1,670	2	
Canada	1,308	2	
United Kingdom	1,292	2	
Portugal	827	1	
OTHERS	8,586	12	

*FAS Lima Forecast

Source: Trade Data Monitor, LLC

Policy:

On June 7, 2021, MIDAGRI created an Interagency Working Group to prepare the "Legume Development Value Chain National Plan: Pulses 2021-2030" via [Ministerial Resolution 0159-2021/MIDAGRI](#). The government is including pulses as part of their national agriculture strategy. The Financial Inclusion of Small Agricultural Producers Fund (FIFPPA) from Agrobanco (state-owned bank) is a signal that the Peruvian government is targeting small agriculture as a means of change towards formal, productive, and modern agriculture.

On December 9, 2021, the Ministry of Production via the National Institute of Quality (INACAL) approved the Peruvian Guide GP 130:2021 "Best Practices Guide for the production, harvest, post-harvest, transport and marketing of legumes and its derivatives" via [Directorial Resolution N° 030-2021-INACAL/DN](#). It is the first edition guideline looking to standardize companies' management and practices. The goal is to offer the market quality products while protecting the health of final consumers. For now, the guide is optative and applies to local and imported production.

For 2022, the [MIDAGRI plans to invest three million dollars to organize 1,000 "De la Chacra a la Olla" "Farm to Table"](#) farmers markets within Peru. Pulses make up an important category within these markets. In 2021, sales totaled 11 million dollars and traded 12,538 tons of products.

Photo 1: Farmer's Market in Lima area



Source: APEGA, Twitter

FAS Lima Promotional Activities:

For more information on Peru's latest promotional activities, please download the attachment.

Attachments:

[2021-2022 FAS Lima Campaign .pdf](#)