



**Asia-Pacific
Economic Cooperation**

2015/SMEWG40/006

Agenda Item: 9.1.2

Towards an Industrial Policy in Peru: A Global Value Chain Perspective

Purpose: Information

Submitted by: Peru



APEC
PHILIPPINES
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**40th Small and Medium Enterprises Working Group
Meeting
Atlanta, United States
10-11 June 2015**



APEC
Asia-Pacific
Economic Cooperation

40th Meeting of the APEC SMEWG
SMEWG Work Plan for 2015 and beyond
SMEs Internalization:

**“Towards an Industrial Policy in Peru:
a Global Value Chain Perspective”**

June 10, 2015
Atlanta- Georgia




Ministerio
de la Producción

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“Towards an Industrial Policy in Peru: a Global Value Chain Perspective”

PERU (30 million people)
Country with economic growth and intensive use of natural resources, but still ranked 54 of 148 countries in the competitiveness ranking.

SMEs in Peru
Account for 99.5% of all enterprises in Peru
Are responsible for 49% of GDP

SMEs in Lima (Capital City: 9 million people)
The highest concentration of manufacturing companies 54.1% of the total sector in Peru.
Large industrial manufacturing sector with high environmental pollution and territorial conflicts in which SMEs coexist with residential areas.



“Towards an Industrial Policy in Peru: a Global Value Chain Perspective”

1. Promotion of the productive diversification

Integration to global value chains: SMEs

- **Identifying new growth engines for the economy**
- Innovation: programs of start up, business incubators, acceletors



2. Expansion of productivity: SMEs

growth, employment, exports

Increasing productivity and reducing productive heterogeneity among firms:

- Supply chain development
- E-commerce
- Access to government procurement
- Financing reform: acces to credit and reduce cost of working capital



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“Towards an Industrial Policy in Peru: a Global Value Chain Perspective”

Integration to global value chains:

Identifying new growth engines for the economy

- SME internationalization through global value chain: supplies, materials, inputs
- Adequacy regulations and administrative simplification for ease the business environment.
- An efficient value chain sometimes requires a small high-tech industry (upstream) that helps downstream products.
- Green industry standards and sustainable industrial development.
- improvements in the business environment and / or tax incentives for certain strategic sectors



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“Towards an Industrial Policy in Peru: a Global Value Chain Perspective”

Integration to global value chains:

Identifying new growth engines for the economy

- An articulate and decentralized business networking:
- **Industrial parks**
 - ❑ Providing productive space (existing industrial companies: to relocate or expand their plants and new companies)
 - ❑ Tractor companies and also attract foreign direct investment.
 - ❑ Strategies enhance export-oriented industrialization.
 - ❑ Improve competitiveness and productivity of industrial enterprises by reducing costs and leveraging partnership opportunities
- **Technology innovation centers**
 - ❑ Real change in production chains serving:
 - ❑ Develop their export potential
 - ❑ Contribute to employment generation
 - ❑ Enhance their contribution in tax collection
- **Clusters: value chains**

mining, mining auxiliary, horticultural, through services such as logistics and tourism, to furniture and wood.



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“Towards an Industrial Policy in Peru: a Global Value Chain Perspective”



Industrial Park in Ancón



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“Towards an Industrial Policy in Peru: a Global Value Chain Perspective”

Integration to global value chains:

Identifying new growth engines for the economy

- Territorial Development: Trends in globalization
- Connectivity approach: territorial integration in regional development
 - Economic development corridors/axes
- Transversal integration: corridors, investments in transport infrastructure and logistics platforms
- Look to Asia Pacific region



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Thank you for your attention !



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