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Report Highlights:

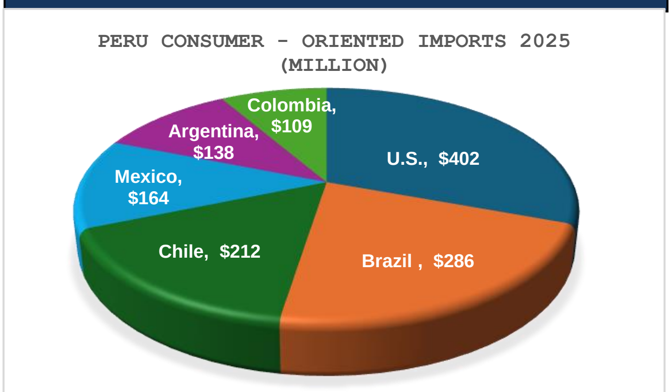
Peru's food processing sector remains a cornerstone of its national economy, accounting for roughly 24 percent of the industrial GDP. Following a strong rebound in 2025, the industry grew 6.3 percent. This sector relies heavily on global supply chains, specifically imported components; for instance, U.S. exports of food processing ingredients to Peru totaled $237 in 2025.

Market Fact Sheet: PERU

Executive Summary

Despite political upheaval and high inflation during the past year, Peru's economy remains stable. Agriculture accounts for approximately six percent of Peru's GDP, but employs around 28 percent of the population. The U.S.-Peru Trade Promotion Agreement, which entered into force in February 2009, has increased bilateral trade of agricultural products from $1.46 billion in 2009 to $6.7 billion in 2025, an increase of +200 percent. The United States was the second largest agricultural product supplier to Peru in 2025, accounting for 12 percent of market share.

Imports of Consumer-Oriented Products



Peru´s consumer-oriented imports from the world reached US$ 2.0 billion in 2024. Peru offers excellent opportunities for U.S. exporters of consumer-oriented agricultural products, but there are some challenges. The successful introduction of new food products depends on knowledge of the market. Exporters should review Peru's food laws, packaging and labeling requirements, business practices, and rely on experienced distribution partners. Getting to know the potential importer and the local distribution system is crucial.

Food Processing Industry

Peru's food processing industry is a dynamic sector of the national economy. The food industry in Peru accounts for almost 24 percent of industrial GDP. Its growth is directly linked to the development of the food retail and food service sectors. Food product manufacturers source both domestic and imported product ingredients. Local processed food products cover 70 percent of the market demand.

Food Retail Industry

There are three main supermarket chains in Peru: Cencosud (Wong and Metro), Saga Fallabella (Tottus), and Supermercados Peruanos (Vivanda, Plaza Vea, Makro, and Mass). The market includes 319 conventional supermarkets and superstores (198 in Lima), 1,000 hard discount stores, and 1,000 convenience stores. The sector is comprised of both conventional supermarkets and traditional channels, made up of wet markets and independent stores. Different categories of food products appear to perform better between the two formats. Top products include snack foods, dairy, edible oils, confectionaries, bread, and cookies.

Quick Facts CY 2025

Imports of Consumer-Oriented Products: $2.2 Bn

Top 10 Food Processing Ingredients for Growth in Peru

1. Powdered Milk 2. Food Preparations 3. Mixtures of odoriferous substances. 4. Meat meal 5. Enzyme and prepared enz.	6. Swine meat cuts. 7. Peptones and derivatives. 8. Corn Starch 9. Prod. Of Natural Milk Const. 10. Vegetable saps and extracts.

Food Industry Gross Value Added: $8.0 billion

Food Industry by Channels
1. Food Exports: $19.8 billion 2. Food Imports: $7.7 billion 3. Retail: $25 billion 4. Food Service: $7.5 billion 5. Wet markets: $17 billion

GDP/Population

Population (Millions): 33
GDP (Billions USD): 282
GDP Per-capita (USD): $8,135

Top 10 Host Country Retailers

1. Supermercados Peruanos S.A.
2. Cencosud Retail Peru
3. Hipermercados Tottus S.A.

Strengths/Weakness – Opportunities/Challenge

Strengths	Weakness
Strong demand for consumer food products	Low penetration of modern food retail throughout the country.
Opportunities	**Challenges**
Growing middle class	Stiff competition from other countries.

Data and information sources: FAS Lima
Contact: FAS Lima

Section I: Market Summary

The food and beverage industry remains a cornerstone of the Peruvian economy, contributing nearly three percent to the country's GDP. The industry is predominantly composed of micro-companies, which account for over 90 percent of the sector, while large companies represent only 1.8 percent. Consequently, businesses operating within this context are particularly vulnerable to market externalities.

In 2025, the food industry demonstrated strong resilience, posting an overall growth rate of 6.3 percent. This rebound was driven by a recovery in domestic consumption and record-breaking agro-exports. The industry's growth is underpinned by a model that combines high-quality domestic raw materials with strategically imported inputs. The sectors that recorded the strongest growth with respect 2025 were: fishing (19 percent), confectionary chocolate (25 percent), canned fruit and vegetables (14 percent), dairy (9 percent), and processed meat (3 percent).

Peru's Ministry of Production forecasts 6 percent growth in the food industry in 2026, supported by strengthening domestic demand and private investment. Peru's Central Bank (BCRP) estimates inflation at 1.5 percent in 2025, the lowest year-end rate in eight years. However, the BCRP projects inflation will rise to 2.4 percent in 2026. This increase is expected to stem from supply-side pressures on food prices caused by adverse weather conditions, higher energy and water costs, and the impact of international turmoil in the Middle East on oil prices. Despite these pressures, the BCRP aims to bring inflation below 2 percent by the end of 2026.

Food processors in Peru rely heavily on imported ingredients. Exports of U.S.-origin food processing ingredients to Peru in 2025 is projected to reach $237 million, a 19 percent increase compared to 2024. The categories that showed the highest growth include powder milk, almonds, and wheat.

Table 1: Advantages and Challenges Facing U.S. Products in Peru

Advantages	Disadvantages
• The U.S.-Peru Trade Promotion Agreement (PTPA) grants duty-free access to two-thirds of all U.S.-origin food and agricultural products, including high-value food products. • Lack of production of intermediate products for the food industry. • An active supermarket industry that is working to increase demand for high-value food products. • Growth of foodservice in Lima and provinces, with a demand for affordable products. • Appreciation for U.S. food quality and culture.	• Regulations that may impose trade barriers to foreign products. • Stiff competition from neighboring countries. • Domestic producers manufacture products according to local taste preferences. • High international commodity prices. • Price sensitive market

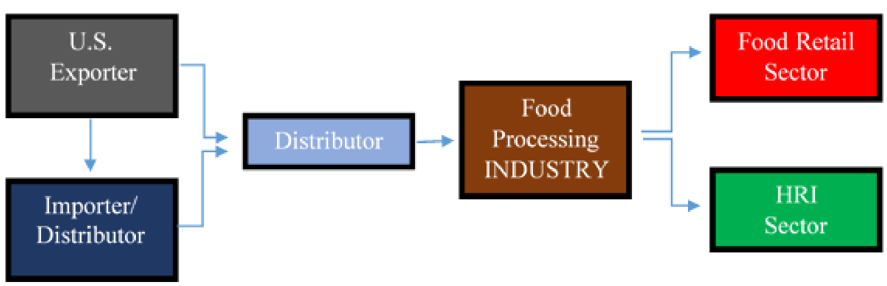
Section II: Road Map for Market Entry

1. **Entry Strategy:**
    - Conduct preliminary research to determine market potential for a specific product. Contact FAS Lima to obtain reports or briefings about market features and regulatory framework.
    - U.S. exporters should contact the local food processing company, or indirectly establish ties through brokers, agents, or representatives.
    - Personal visits are highly recommended. The U.S. exporter should know its local partner well before signing contractual agreements.
    - Exporters should provide support to food service customers by participating in technical seminars, product demonstrations, and local trade shows whenever possible.
    - The import partner should be able to provide updated information on consumer trends, current market developments, trade, and business practices.
    - Food ingredients must comply with Peru's regulations and be approved by health authorities before being placed on the market. Peru adopts Codex as the primary international reference.

2. **Import Procedure:** For details on how to export to Peru please refer to FAS Lima's [FAIRS Export Certificate Report] and [FAIRS Country Report.]

3. **Distribution Channels:** Distribution channels for imported products can be different from those for domestic products and can change frequently. However, larger processors generally import directly from the supplier. Small processors rely on local distributors to import ingredients.

4. **Figure 1: Market Structure:**



- The Peruvian food-processing industry is well developed and tries to source directly depending on the volume. Smaller importers use traders as their main sourcing partner.
- Local processed food products cover 75 percent of the market demand.
- Specialized importers usually provide food ingredients to the Peruvian market. Some of these are also producers or wholesalers/distributors.

5. **Sector Trends:** Peru's food manufacturing industry has benefited from the nation's strong economic performance over the past decade. The demanding middle class forced food processors to innovate and adapt to broader consumer segmentation. Food manufacturers target small, independent stores as the primary channel to reach a wide range of consumers. Despite the growth of supermarket chains throughout the country, Lima is still the principal market but space constraints limit growth. Food products must align with consumers' preference for convenience, low prices, and daily purchases.

U.S. food ingredient suppliers should focus on providing ingredients to the following industries:

Baked Goods: The bread category, particularly artisanal breads, continues to dominate the baked goods segment and remains the cornerstone of the sector. Manufacturers have broadened their packaged bread offerings, developing products that successfully balance nutrition and flavor to meet evolving consumer demands. The health-oriented alternatives incorporating Andean grains (quinoa, chia, among others) continue to expand, presenting new formats and private label offerings across the market.

Companies responded to heightened price sensitivity by adopting downsized packaging strategies to maintain affordable entry-level price points. This proactive approach has bolstered consumer loyalty and contributed to a 4 percent increase in sales. This trend is further reinforced by the rapid rise of private level products within hard discount formats, which are now aggressively challenging traditional channels such as neighborhood "bodegas".

While consumers continue to show a strong preference for artisanal bread, industrially produced options are gaining significant ground in the market, largely fueled by the rapid expansion of supermarkets and convenience stores. Panificadora Bimbo del Peru, the dominant local producer of industrial bread, captures 5 percent of the market share and offers a comprehensive portfolio of products designed to cater to diverse consumer tastes and preferences.

The cakes subcategory is second in importance with a 15 percent share of the baked goods category. Panettone is a star product, which is predominately a seasonal product (July and December). Nestle-Peru is the largest panettone manufacturer in Peru.

Dairy Products: Condensed milk, yogurt, cheese, milk, and butter continue to reign as the most significant products within the dairy category. Like many other staple goods, dairy products have experienced drastic price increases, which stabilized at the beginning of 2025. In this context, consumers are increasingly opting for affordable alternatives, resulting in a surge in impulse purchases of private label brands and a preference for smaller packaging sizes.

Although the expansion of food retail has driven growth within these sub-categories, nearly 65 percent of dairy product sales still occur through small grocers and wet markets. Notably, evaporated and condensed milk account for almost 45 percent of the total dairy market share. Furthermore, ready-to-drink products are gaining popularity among consumers seeking healthier alternatives.

Within this competitive landscape, Gloria remains the dominant player in the sector, commanding an impressive 61 percent market share.

In April 2022, the Peruvian government modified a regulation to ban the use of powdered milk for manufacturing evaporated milk. However, the regulation's primary impact is restricting the labeling of the product as "Evaporated Milk". Despite this, dairy manufacturers continue to use powdered milk to produce what is essentially "evaporated milk," albeit with a different label. The local dairy sector has faced challenges due to fluctuating international commodity prices. This issue has not adversely affected U.S. powdered milk exports to Peru, which reached $91 million in 2025.

Dried Processed Food: Pasta and rice remain the cornerstone products in the Peruvian market. Rice, being one of the most consumed staples in the country, is primarily produced locally and accounts for a substantial 45 percent of total sales in the dried processed category. Pasta follows closely behind, contributing 40 percent to the same category.

The instant noodles subcategory remains third, accounting for 17 percent of market share. Small independent grocers and convenience stores have become a good niche channel for instant noodles due to the busy lifestyle of Peruvian consumers. Sales in this sub-category have been driven by innovative advancements in product presentation and flavor enhancements.

In 2025, both rice and pasta demonstrated consistent performance compared to 2024. Private label has been a proactive strategy to maintain prices and mitigate disruptions in consumer consumption patterns. The convenience factor has also played a significant role in boosting the popularity of instant noodles, further enhancing consumption.

Costeño Alimentos, Ajinomoto del Peru and Alicorp stand out as the leading food processors in this sector, dominating the rice, noodles, and pasta markets, respectively. Their focus on quality and adaptability continues to shape the landscape of staple food consumption in Peru.

Snacks: The category has shown consistent growth over the years as consumers increasingly gravitate toward snacking-style products or meal replacements. Sweet cookies dominate the market, comprising 19 percent of the overall snack market share, reaching $400 million in 2025. Chocolate confectionery holds the second position in sales ($312 million) based on higher consumption as a result of aggressive campaigns in the traditional and modern channel. The third position is for savory cookies. Industry leaders such as Mondalez Peru, Alicorp, and Molitalia collectively hold nearly 61 percent of the market. Meanwhile, private label products specializing in affordable cookies are readily available at supermarkets and hypermarkets, catering to budget-conscious consumers. Nevertheless, the traditional distribution channel continues to play a crucial role in reaching a broad audience.

Snack bars are beginning to gain traction in the market, yet their overall penetration in terms of value remains modest within the category. This is especially true for consumer segments that prioritize health-conscious choices, seeking products with lower sugar content and enhanced nutritional benefits such as increased protein, vitamins and fiber.

Processed Meat and Seafood: This category has shown rapid growth due to high consumption of hot dogs, ham, sausages, chicken nuggets, and burgers. In 2025, the category reached almost $500 million in sales. The traditional channel (small grocers) is the main distribution channel for these products. Local processors have made plant enhancements to increase production of packaged processed meat, increase shelf life, and improve food safety. Yichang, San Fernando, and Breadt hold almost 45 percent of the market share, offering an assorted list of products such as canned meat, frozen and chilled meat, and cold cuts.

The seafood subcategory accounts for almost 44 percent of sales for this category. Canned tuna is the main product, which is locally produced.

Edible Oils: In 2025, sales rebounded after a negative performance in 2024, due to higher prices. Edible oils is the largest category within the cooking ingredients representing 60 percent of $780 million in sales during 2025. Private label products continue to serve as a competitive alternative, offering affordability across the trade channel. Palm oil remains the most consumed type of oil, accounting for 50 percent of the market share and predominantly distributed through traditional channels.

In Peru, manufacturers often utilize oil blends as a cost-saving measure, reflecting the effort to manage expenses while meeting consumer demand. Alicorp commands the largest market share at nearly 49 percent. This indicates a strong presence in the market, despite the challenges faced in overall performance category.

Sauces, Dressings, and Condiments: Like other categories, prices for cooking ingredients have been adjusted to increase sales due to changes in consumer’s behavior, particularly a preference for smaller packaging and affordable brands. Within this sector, sauces, dressings, and condiments have become increasingly popular, with the sauces subcategory standing out as the most significant. Products such as mayonnaise, ketchup, and mustard are among the favorites. In 2025, the sauces subcategory achieved 6 percent growth, reaching a total sales value of $180 million. Mustard seed, a key ingredient used in the production of mayonnaise, plays a crucial role in the flavor profile of these products. Manufacturers have responded to consumer demand by developing new products that offer a variety of flavors and ready-to-use convenience. Alicorp leads the sauces subcategory with its brand Alacena, reflecting its strong market presence.

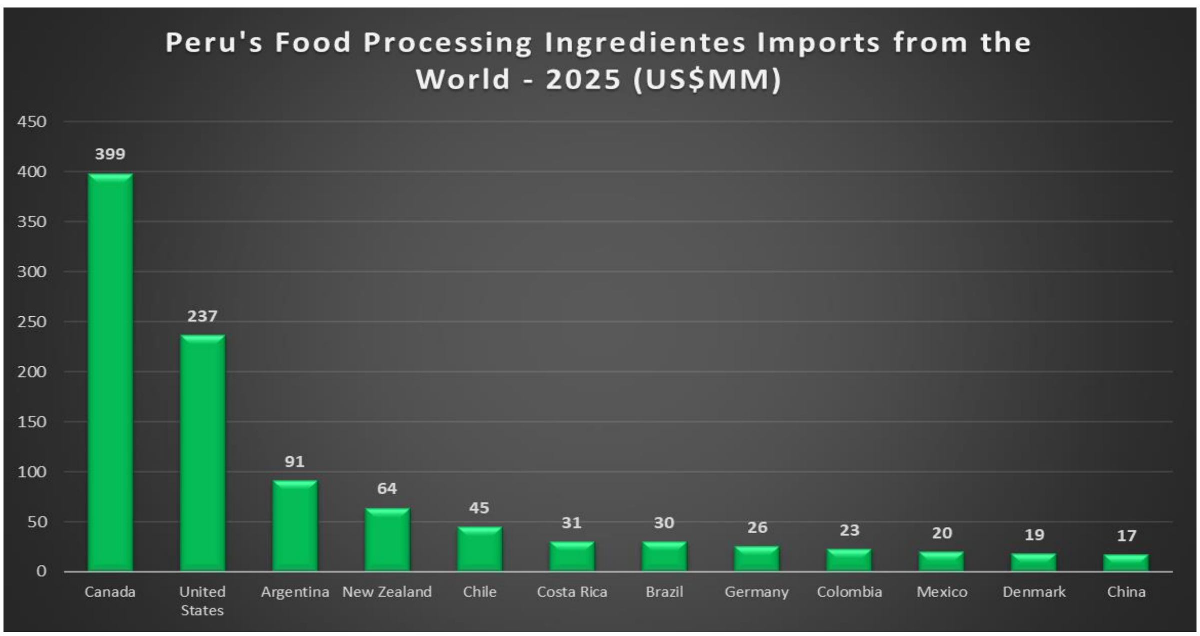
Another noteworthy subcategory within cooking ingredients is led by Ajinomoto del Peru S.A., renowned for its offerings of soy sauce, stock cubes, and powders. Sales in the cooking ingredients segment reached $126 million in 2025, with the most important products—including spices, tomato pastes, and purees—accounting for a substantial 70 percent of the market share. This highlights the significant role that these ingredients play in consumers’ culinary practices.

Breakfast Cereals: The category is primarily supported by middle-income consumers who are incorporating cereals into their breakfast routines. Additionally, there is growing interest from health-conscious consumers who are increasingly seeking nutritious options in this segment. The category posted slight growth in 2025, reaching $170 million. The ready-to-eat subcategory remains the most prominent in the market, often utilizing oats as a base. In recent years, manufacturers have also started to incorporate native grains such as quinoa and kiwicha, responding to consumer preferences for a wider variety of healthy ingredients.

Alicorp stands out as the leading manufacturer in this category, commanding a significant 65 percent market share. While nearly 60 percent of sales distribution occurs through traditional channels, including small independent stores, there has been an upward trend in the modern channel's market share in recent years, reflecting broader shifts in consumer shopping habits and preferences.

Beer: Beer is the most popular alcoholic beverage in Peru, with a market share of 90 percent. Premium beer products are becoming increasingly popular among middle and high-income consumers. In 2025, the volume of beer production in Peru decreased 1 percent to nearly 1,1061million liters with respect 2024. The traditional channel is the most important distribution channel representing 30 percent of small grocer's incomes. In 2020, Heineken acquired AJE's beer Tres Cruces and added brands from its international portfolio, such as Amstel, Tiger, and Dos Equis. Union de Cervecerias Backus & Johnston (AB-Inbev) is the largest beer manufacturer in Peru, accounting for 90 percent of the market share.

Figure 2. Suppliers of Food Ingredients



Source: Trade Monitor Data

Section III: Competition

Imports of food processing ingredients to Peru totaled $1.1 billion in 2025. The United States is the second largest supplier of ingredients, with 21 percent market share. These ingredients are largely made up of wheat, milk powder, almonds, flour meals and pellets, whey, and modified starches. . Canada is the largest supplier, driven by wheat exports that represents 99 percent of their exports. Argentina is in third position, accounting for 8 percent of market share. Argentina's exports are led primarily by wheat and skimmed powdered milk.

Section IV: Best Product Prospects Categories

Table 2: Products Present in the Market Which Have Good Sales Potential

Product Category/ Net imports	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
Wheat (HTS 10019910) $538 million	Canada: 73% USA: 14% Argentina: 12%	Canada has more competitive pricing for this ingredient.	Local millers are accustomed to blending different origin wheat.
Milk and Cream Concentrate, powder (HTS 040210) $86 million	USA: 67% Belgium: 15% Ireland: 9%	Price opportunity and quality are key drivers.	Dairy food processors use powdered milk to standardize production. Insufficient milk production in Peru.
Milk and Cream Concentrate, powder Exceeding 1.5% (HTS 040221) $116 million	New Zealand: 53% USA: 31% Argentina: 6%	Price opportunity and quality are key drivers.	Dairy food processors use powdered milk to standardize production. Insufficient milk production in Peru.
Almonds Fresh or Dried Shelled NESOI (HTS 08021290) $13 million	USA: 99% Spain: ≈1%	Lower logistics costs due to Chile´s proximity. Price competitive.	Confectionery manufacturers prefer U.S. quality and price.
Flour Meals and Pellets Meat or Offal (HTS 23011090) $25 million	USA: 52% Chile: 18% Argentina: 12% Brazil: 8%	Price and quality are key drivers.	Pet food industry is the largest buyer. Local industry is growing.
Products Consisting of Natural Milk Constituents (HTS 040490) $12 million	USA: 99% Canada: ≈1%	Price, technical superiority, and trade benefits are key alternative drivers.	Not a lot of suppliers for these products. Local industry non-existent. The industry uses it to manufacture functional foods.
Dextrines and other modified starches (HTS 350510) $9 million	USA: 47% Netherlands: 19% Brazil: 9% Germany: 7%	Price, quality and tariff preferences.	Multiple uses in domestic industry: food, paper, textile, pharmaceutical.
Enzymes and Prepared Enzymes (HTS 35079090) $26 million	Argentina: 21% Brazil: 15% USA: 15% Denmark: 8%	Price and quality are key drivers. Tariff preferences are also applied to competing countries.	Weak local production. Utilization for different sectors.
Edible mixtures or preparations (HTS 151790) $9 million	USA: 44% Uruguay: 11% Malaysia: 7% Denmark: 7%	Price and quality are key drivers. Tariff preferences applied to competing countries.	Multiple sectors demand these products. The main product is vegetable fat.

Mixtures of Odoriferous Substances (HTS 33021090) $64 million	Costa Rica: 27% Mexico: 17% Colombia: 14% Chile: 13% Uruguay: 11% USA: 5%	Beverage manufacturers supply their subsidiaries in Peru.	Large manufacturers source internationally.
Mechanically deboned meat (HTS 0207140010) $8 million	Chile: 50% USA: 25% Brazil: 23%	Proximity and price are key drivers	Shortage in production of key competitors.
Hop Cones, ground, powdered or pellets (HTS121020) $4 million	USA: 52% Germany: 48%	Price, quality and technical features	Industry demands multiple types.
Peptones and Derivates (HTS 350400) $12 million	China: 42% Brazil: 18% Spain: 15% USA: 9%	Price and quality are key drivers.	Inputs for food industry and cosmetics. Protein isolates main U.S. export.
Vegetable Saps, Extracts (HTS 1302) $22million	China: 31% Mexico: 14% USA: 11% Chile: 8%	Bulk presentations, proximity, and quality	The category maintains its growing pace. The U.S. is competitive in mucilages and thickeners.
Boneless Pork Meat (HTS 02032910) $21 million	Chile: 50% Brazil: 48% USA: 2%	Price competitive and different cuts from Chilean products. Proximity and tariff preferences are key.	Mainly used by sausage manufacturers. Local processors recognize quality, but price and availability are a current issue.
Other preparations of semolina, starch flour, or malt extract (HTS 190190) $27 million	Colombia: 44% Chile: 15% Brazil: 9% U.K.: 7% USA: 7%	Price is the key driver. Colombian manufacturers supply to Peru subsidiary.	Category continues growing. Large food processors based in the region supply Peru's market.

Source: SUNAT, Trade Monitor Data. FAS Lima office research.
Note: Calculations based on latest full calendar year (January-December) data

Table 3: Products with Small Presence in Market but Which Have Good Sales Potential

Product Category/ Net imports	Major Supply Sources	Market Overview
Malt Toasted or not. (HTS 1107) $21million	China: 48% Canada: 19% Chile: 14%	Total imports decreased 11 percent in 2025. Beer market continues recovering.

Animal, Vegetable, or Microbial Fats (HTS 151800) $4 million	Brazil: 50% USA: 25% Argentina: 10%	Pet food industry is the largest buyer. Local industry is growing.
Starches (HTS 1108) $35 million	Germany: 51% Denmark: 14% Argentina: 9%	Potato starch imports reached $28 million, making it the largest imported ingredient, followed by cornstarch at $ 5 million.
Whey and Modified Whey (HTS 040410) $10 million	Chile: 50% France: 18% Canada: 10% USA: 10%	Chilean suppliers benefit from proximity and tariff preferences. Not a lot of suppliers for these products. Local industry non-existent.

Section V: Key Contacts and Further Information

U.S. Embassy Lima, Foreign Agricultural Service (FAS), Office of Agricultural Affairs
Street Address: Avda. La Encalada, Cuadra 17, Monterrico - Surco, Lima 33
E-mail: Aglima@usda.gov

For additional information, see www.fas.usda.gov. See also our Exporter Guide and other marketing reports on the FAS Global Agricultural Information Network (GAIN).

Attachments:

No Attachments