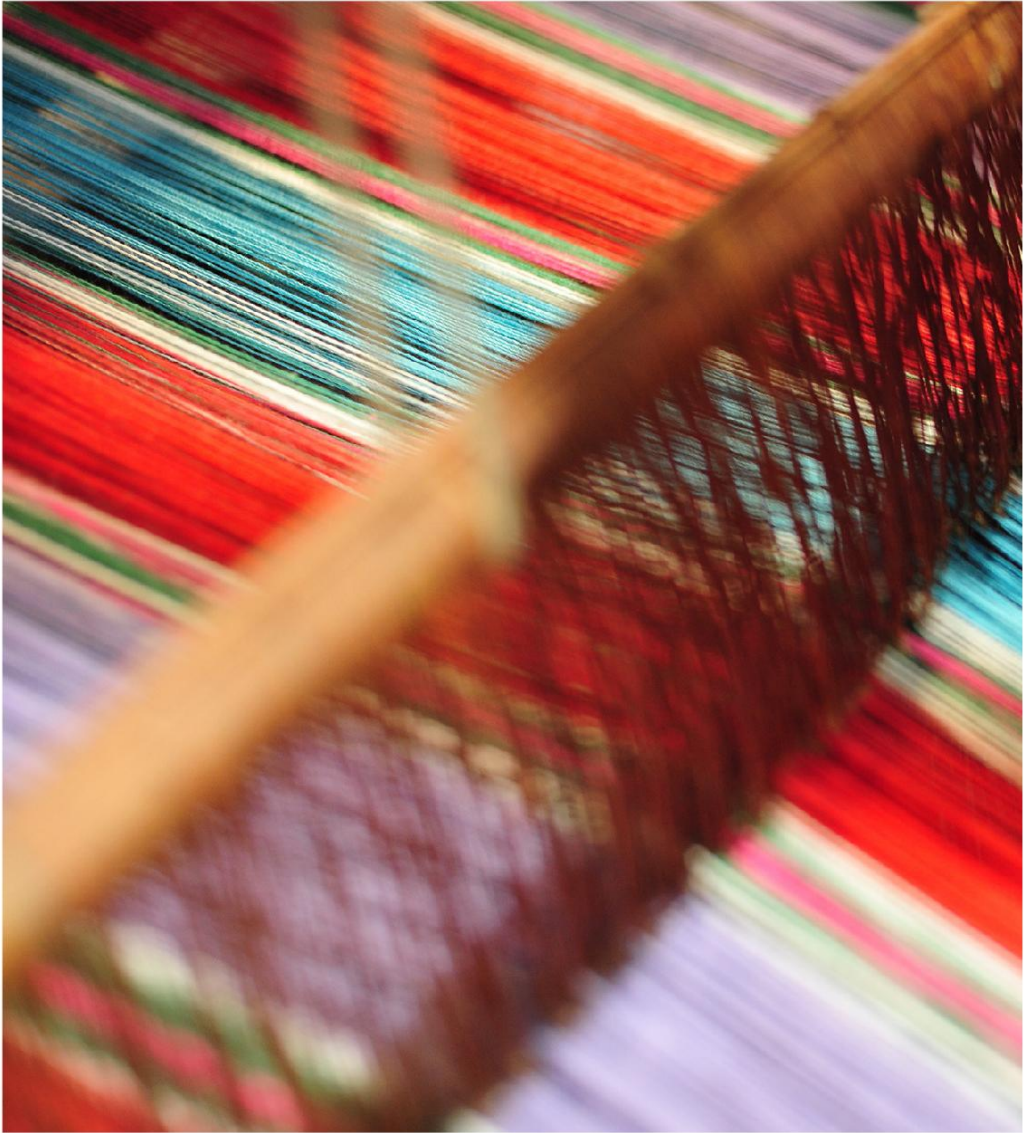




**Doing Business
in Peru 2026**



Review and Editing



Ines Vazquez
Partner

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Introduction



Juan Carlos de los Heros

Managing Partner

In 2026, Peru's business landscape presents a combination of significant progress and challenges that demand strategic attention. Economic activity shows signs of renewed dynamism, driven by the growth of foreign trade and the consolidation of new logistics infrastructure, such as the full operation of the Port of Chancay, which in its first months mobilized exports worth USD 170 million—reflecting the expansion of sectors like agribusiness and mining.

At the same time, we face a particularly sensitive political environment due to the ongoing electoral process and recent institutional instability, marked by changes in the interim presidency. These developments, which have drawn international attention, highlight the importance of having a clear and predictable regulatory framework capable of attracting sustainable investment.

In parallel, structural challenges remain in road infrastructure, connectivity, and territorial planning—factors that continue to shape the country's competitiveness and the ability of companies to expand efficiently. Analysts note

that despite logistical advances, the lack of full integration among ports, highways, and future railway projects remains a key issue for business development in the coming years.

In this context, our Peru Business Legal Guide 2026 aims to provide a clear and practical overview of the current legal framework, as well as the trends that will shape the investment climate and business operations in the months ahead. We hope to support you with rigorous and useful information that enables informed decision-making in an environment that is challenging yet full of opportunities.

It will be a pleasure to assist in the development of your projects in Peru.



Political and Economic Overview



Political and economic overview

General overview

The Peruvian economic outlook for the 2025–2026 period is positioned in a phase of growth consolidation, amid a fragmented international environment and the onset of the electoral cycle. This chapter provides an articulated reading of the main macroeconomic, sectoral and financial variables, as well as the political factors that influence the business climate and investment prospects in the country.

Macroeconomic Performance

In 2025, the Peruvian economy consolidated its recovery following the low growth recorded in 2023 and the transition observed in 2024. Gross Domestic Product (GDP) grew by approximately 3.3%, driven by private investment, the recovery of domestic consumption, and the solid performance of sectors such as construction, services, agribusiness, and non-primary manufacturing. This momentum was supported by controlled inflation, a gradual improvement in formal employment, and more favorable business expectations, particularly in mining and infrastructure.

For 2026, official projections from the Central Reserve Bank of Peru (BCRP) and the Ministry of Economy and Finance (MEF) place economic growth in a range of 3.0%–3.2%, reflecting a scenario of economic cycle normalization, greater selectivity in private investment, and the impact of political uncertainty associated with the electoral process.

International Environment and Geopolitics

The international context between 2025 and 2026 is characterized by increasing economic fragmentation, marked by the rivalry between the United States and China, persistent geopolitical tensions, and a

slowdown in global trade. Within this environment, Peru is positioned as a relevant supplier of critical minerals and agrifood products, supported by solid external fundamentals.

In 2025, the terms of trade reached historically favorable levels and the annualized trade surplus exceeded USD 31 billion, strengthening the country's external position, cushioning external shocks, and contributing to exchange rate stability. These factors reinforce Peru's attractiveness in global friend-shoring strategies and the diversification of supply chains.

A central element of this new configuration is the entry into operation of the Port of Chancay, which positions Peru as a logistics hub of the South Pacific with direct connection to Asia. While the project generates significant gains in trade efficiency, it has also acquired a geopolitical dimension by becoming critical infrastructure subject to international scrutiny. This context requires strengthening regulatory autonomy, governance standards, physical and cybersecurity safeguards, and operational transparency, in order to preserve the logistics advantage without creating strategic vulnerabilities.

Regional Context and Trade Relations

Within Latin America, Peru continues to stand out for its macroeconomic stability, low public debt levels, and relatively solid institutional frameworks, against a regional backdrop characterized by heterogeneous performance. The Pacific Alliance remains a relevant platform for trade diversification, although risks persist stemming from political instability in several neighboring countries.

The United States continues to play a central role as a trading partner, despite a more protectionist orientation that has raised regulatory requirements and potential trade pressures for sectors such as agribusiness and textiles. In parallel, China has consolidated its

position as Peru's main trading partner, absorbing more than 30% of exports—mainly minerals—and expanding its presence in infrastructure and logistics.

Sectoral Performance

Mining and Energy

Mining continues to be the structural axis of the Peruvian economy, representing around 15% of GDP in 2025 and remaining the main source of foreign exchange. Copper production grew by nearly 5%, driven by the maturation of large-scale projects and improvements in operational efficiency. For 2026, more moderate growth (3%–4%) is projected, consistent with more stable international prices and a more cautious investment environment, although medium-term prospects remain favorable.

The energy sector maintained stable performance in 2025, supported by natural gas production and a competitive power generation matrix. For 2026, the focus will be on efficiency, regulatory certainty, and the energy transition, with increased participation of non-conventional renewable energy, while gas remains a key backup fuel.

Agribusiness and Tourism

Agribusiness recorded growth of close to 7% in 2025, consolidating its position as one of the main drivers of non-traditional exports. For 2026, more moderate expansion (4%–5%) is expected, conditioned by climate factors, logistics costs, and higher regulatory requirements, although supported by solid foundations in competitiveness and market access.

Tourism continued its recovery in 2025, with revenue growth of approximately 10%. For 2026, international tourism revenues are expected to reach around USD 6.0 billion, supported by new strategic infrastructure and improved air connectivity, although performance will

remain sensitive to the domestic political environment and perceptions of security.

Financial System

The Peruvian financial system maintained a solid position in 2025, with high levels of solvency and liquidity, moderate credit growth ($\approx 5.2\%$), and improved portfolio quality. Non-performing loan ratios remained at controlled levels (3.5% – 3.7%) and were adequately covered by provisions.

The process of digitalization and financial inclusion continued to deepen, with growing adoption of digital wallets and payment interoperability. Additionally, the entry of new players—such as Santander Consumer Bank and BTG Pactual—and expectations of international digital banks reinforce competition and diversify sources of capital. For 2026, a more prudent expansion of credit is anticipated, conditioned by the electoral environment, with the financial system acting as a buffer against potential political or macroeconomic shocks.

2026 Outlook and Electoral Scenario

The 2026 electoral process introduces an additional layer of short-term uncertainty. As of July 2026, a bicameral Congress will be installed, increasing legislative coordination costs and market sensitivity to the quality of political coalitions and institutional appointments.

Surveys reflect low public confidence and an agenda focused on security, corruption, and employment—factors that tend to encourage short-term policy proposals and increase the political risk premium. On the fiscal front, the preliminary 2025 deficit ($\approx 2.2\%$ of GDP) restores credibility, but the electoral year heightens the risk of populist measures—such as pension fund withdrawals or unfunded spending—which could strain the fiscal rule and affect funding costs.

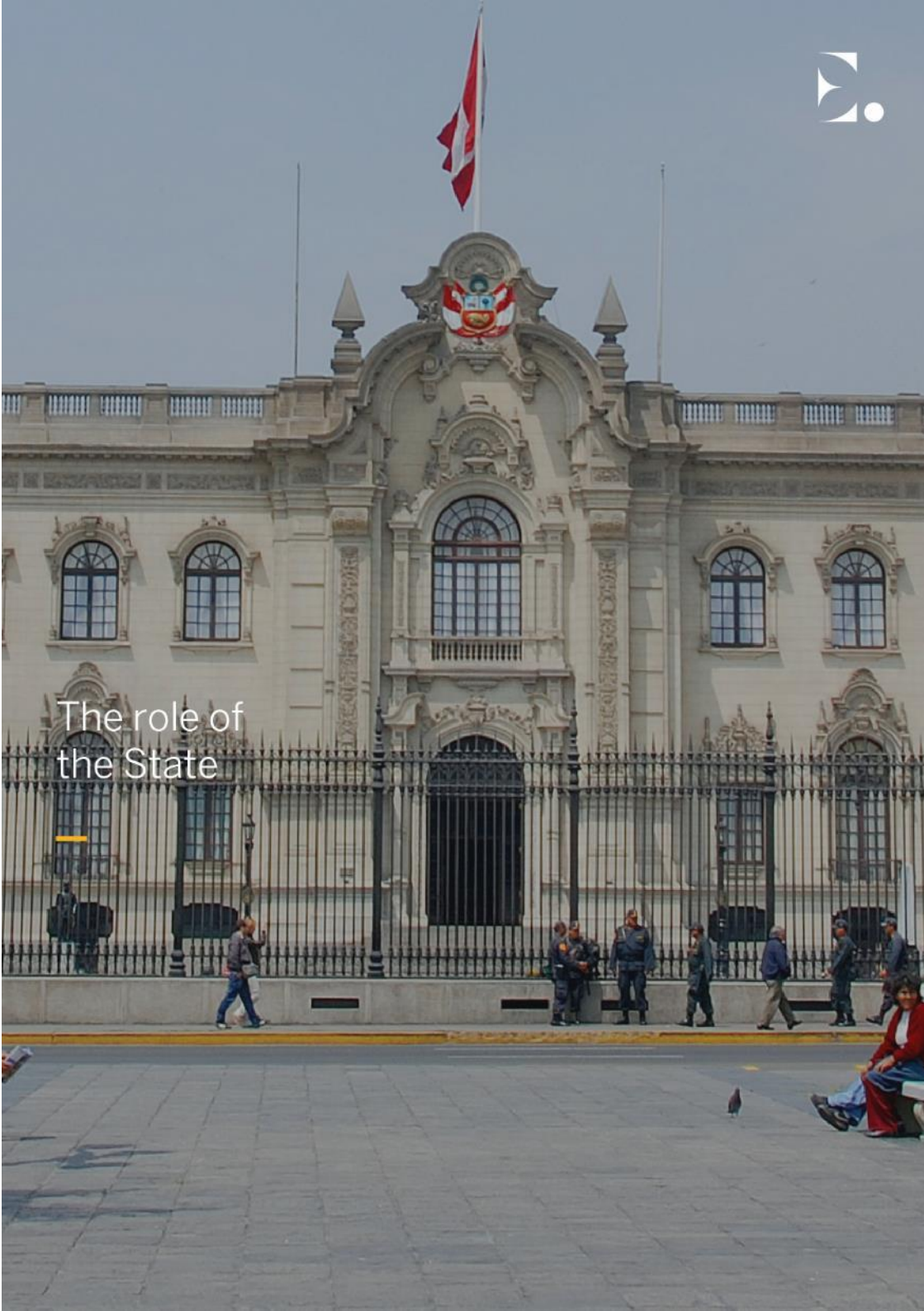
In monetary policy, the baseline scenario assumes institutional continuity, with inflation close to 2% and relative exchange rate stability. The autonomy of the BCRP and fiscal discipline remain the main macroeconomic anchors. Electoral risk will depend less on the specific election outcome and more on respect for these anchors, the functioning of the bicameral framework, and the quality of fiscal and regulatory decisions during the transition.

Conclusion

In the absence of severe political shocks, Peru maintains a growth trajectory close to 3%, with controlled inflation and financial stability. However, a deterioration in fiscal discipline, institutional weakness, or adverse signals in key appointments could shift growth toward a lower range (2.3%–2.7%), with increased financial volatility. Close monitoring of the public budget, the pension agenda, and economic institutional strength will be critical to anticipate the country's trajectory during the electoral year.



The role of the State



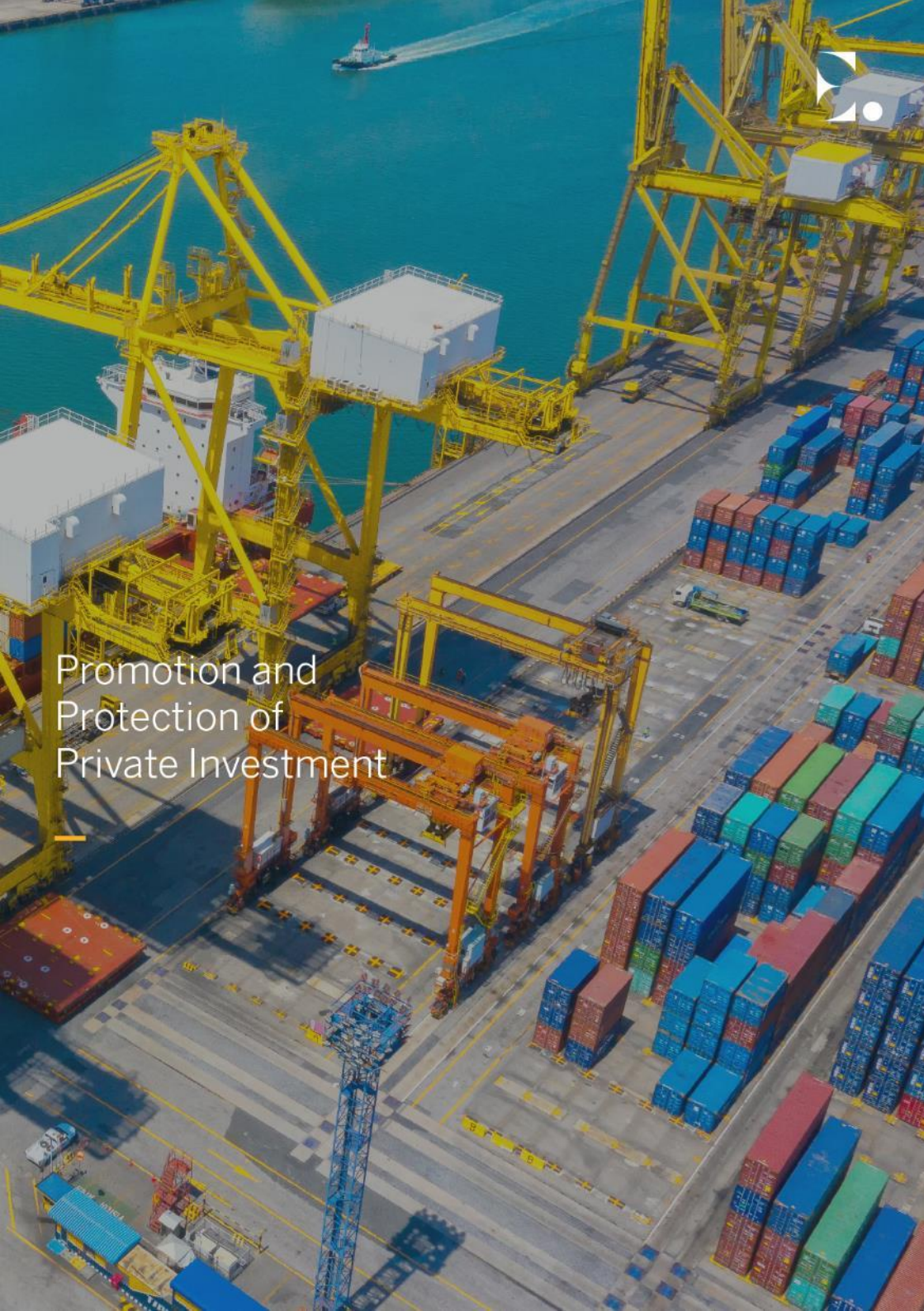
The role of the State

Legal framework

The General Law for the Growth of Private Investment, approved by Legislative Decree No. 757, in November 1991, eliminated and banned all forms of reservations of economic activities in favor of the state. These reserves must only be held for reasons of public interest or national security and must be approved by Congress. Equal conditions for public and private activities were established.

The Peruvian Constitution provides that the state may engage in entrepreneurial activity only subsidiarily and when authorized by law, for reasons of public interest or national necessity.

The state's mission is to supervise and promote free competition and to repress any behavior that restricts it. It must also fight against any practice that restricts it and against the abuse of dominant positions or monopolies. No law or agreement may authorize or establish monopolies.



Promotion and
Protection of
Private Investment



Promotion and protection of private investment

What's new for investors

According to the National Plan for Sustainable Infrastructure for Competitiveness 2022-2025 (“PNISC 2022-2025”, for its acronym in Spanish) during this period the government will execute 72 infrastructure projects across various strategic sectors, with the aim of boosting economic growth, through the Public-Private Partnership (PPP) modality, with an investment amount of USD 19.49 billion, as well as nine asset projects with an investment amount of USD 3.67 billion, mainly in the health, transportation, water, and sanitation sectors¹.

As of July 2024, the progress of the PNISC 2022-2025 is as follows: 52 projects are in the execution phase, 19 in process and 1 in conceptualization. From the PNISC progress report, it can be seen that the sector with the highest investment executed up to June 2024 was the transportation sector, with PEN 8.2 billion (6.9%); followed by the education sector with approximately PEN 2.68 billion (27.8%); electricity with PEN 748 million (28.6%); communications with PEN 627 million (6.4%), health with PEN 655 million (7.9%); and agriculture and irrigation with PEN 212 million (3.1%). The sector with the least executed investment was the environment sector with PEN 0.01 million (0.0%). Therefore, the financial investment progress up to July 2024 is approximately PEN 11.917 billion.

On March 14, 2026, the National Infrastructure Plan 2026–2031 (“PNI 2026–2031”, for its acronym in Spanish) was published through Supreme Decree No. 039-2026-EF. This strategic instrument provides guidance for public and private investment nationwide. It includes an

¹ <https://spji.minjus.gob.pe/Graficos/Peru/2022/Octubre/24/DS-242-2022-EF.pdf>
Echecopar

assessment of the progress and performance of the project portfolio under the 2022–2025 National Infrastructure Plan (PNSIC). It also sets out the methodology for project prioritization and identifies the projects whose execution has been prioritized for the 2026–2031 period.

Special regulations have been issued to exempt the requirement to obtain the permits and licenses necessary for the development of the projects included in the PNISC 2022-2025 and in the PNI 2026-2031. These measures will apply to projects in the transportation, communications, sanitation, energy, and agriculture and irrigation sectors, as part of a set of provisions aimed at unblocking projects and promoting the development of essential aspects for their execution.

General guarantees for investment

The Peruvian constitutional and legal framework opens the economy to private investment, which is practiced in the context of a social market economy. It also promotes competition and ensures foreign investment in any type of company.

It stipulates that prices are governed by the law of supply and demand, indicating that the only prices that are administratively regulated are tariffs for public services, which are established by law and approved by Congress.

It also recognizes the freedom of trade and industry and of exports and imports.

In the early 1990s, investment guarantees were introduced, such as the right to freedom of ownership and disposal of foreign currency and repatriation of capital and dividends to all natural and legal persons, both national and foreign.

It is also guaranteed that there shall be no discriminatory or differential treatment in foreign exchange, prices, customs tariffs or duties among

investors based on sectors or types of activity or geographic location, nor between natural or legal persons, domestic or foreign.

In addition, there is a legal stability regime for investors' rights and in fiscal and labor matters.

Guarantees for foreign investment

Article 63 of the Constitution of 1993 stipulates that foreign investors have the same rights as domestic investors.

Investors are guaranteed the right to freely transfer abroad — in freely converted currency and without any authorization whatsoever — their entire capital, dividends, profits, royalties and consideration for the use and transfer of technologies and elements of industrial property. Where conversion from national currency to foreign currency is deemed necessary, they shall be entitled to the most favorable exchange rate. Investor rights can be stabilized through legal stability agreements by meeting the requirements established by law.

No authorization is required for foreign investments, which may only be subject to subsequent registration.

The only restriction on foreigners allowed by the Constitution is that they cannot acquire or possess, within 50 kilometers of the border, mines, lands, forests, water, fuels and energy sources, unless an exception is declared by a supreme decree due to public necessity or national interest.

As for hydrocarbon projects, the Organic Law considers the exploration and exploitation of hydrocarbons to be of public necessity and national interest; therefore, these activities are exempt from the abovementioned restriction.

Privatizations and concessions

Regarding the evolution of private investment in Peru, the Peruvian government established in 1991 a framework to promote private investment in public companies. In line with the constitutional definition that the state may only perform a business activity in a subsidiary manner, a privatization project was implemented. Its consequence was the transfer of many public companies to the private sector.

As a result, all telecommunications companies, banks and production sectors in general in which the state participated were transferred to the private sector.

Additionally, Peru has had a legal regime for PPPs (Asociaciones Público Privadas (APP)) since 2008, which promotes private investment in infrastructure and public services projects through the granting of concessions.

In September 2025, the new Law on Public-Private Partnerships and Asset Projects was enacted through Law No. 32441 (the “APP Law”), replacing Legislative Decree No. 1362. In December of the same year, its Regulations were issued by Supreme Decree No. 316-2025-EF. These regulations, in force since December 25, 2025, represent a significant reform of the legal framework governing the development of public-private partnerships (PPPs) in Peru.

This reform is primarily driven by market demands calling for the reversal of the deficient management of PPP contracts by the public entities acting as project owners.

The APP Law introduces a structural change to the system by establishing that PROINVERSIÓN will assume the role of grantor (i.e., the public entity holding project ownership) in PPP contracts executed between September 16, 2024 and September 16, 2025, as well as in

PPP projects under the jurisdiction of the National Government that are awarded as from December 25, 2026 onwards.

The new regulatory framework limits the impact of oversight reports issued by the Office of the Comptroller General of the Republic, thereby strengthening legal certainty in contract management. It also streamlines the approval process for contractual amendments by expanding its scope, and incorporates specific rules aimed at ensuring service continuity in the event of contract termination.

According to the current legal framework, PPPs are modalities of participation in private investment, through long-term contracts in which the state intervenes through a public entity and one or more private investors, and in which risks and resources are distributed, preferably privately, to develop public infrastructure projects, public services, services linked to public infrastructure and public services, applied research and technological innovation.

PPPs can be implemented through concession, operation and maintenance contracts and management, as well as any other modality permitted by current regulations. They may also originate from state or private initiative and may include, among other things, general public infrastructure projects such as road networks, multimodal networks, railways, airports, ports, logistics platforms, urban recreation and cultural infrastructure; penitentiary, irrigation, health or education infrastructure; as well as public services, such as sanitation, telecommunications, energy and lighting, hydrocarbons, and other services of social interest related to education, health and the environment, such as waste treatment and processing.

Likewise, PPP projects can be executed for the provision of services linked to public infrastructure and/or public services that the state needs to provide, such as tolling and rate collection systems, centers for better citizen services, applied research and technological innovation.

PPPs may or may not require co-financing from the state, depending on whether they require the granting of money or state guarantees.

Meanwhile, the regulatory framework regulates projects in assets, which are a form of private investment participation promoted by public entities that have the power to dispose of their assets. It is done through disposition (transfer or exchange) or through the signing of contracts of assignment in use, lease, usufruct, surface or other modalities permitted by law. Unlike PPPs, projects in assets cannot involve public resources or transfer risks to the public entity.

These projects can be promoted through the different state offices in charge of promoting private investment, which include PROINVERSION, and the investment committees from each regional or local government — according to the ownership of the project.

In the case of projects that originated as private initiatives, if there are no third parties interested in executing such a project or an alternative within the period foreseen for said third parties to express intent, the projects may be awarded directly to the proponent.

Meanwhile, if any third parties are interested in the execution of the project, it shall be submitted to a bidding process. In addition, if the proposal of another bidder wins, the proponent of the project has the right to match the best offer and obtain a percentage of money for the reimbursement of expenses for not being awarded the bid.

Some of the most noteworthy concessions that have been granted under this legal framework as PPPs are the concession for the construction and operation of the Transmantaro national electrical interconnection line; the concessions for the telecommunications PCS Band, the Lima International Airport Jorge Chavez, the Interoceanic Highway and Longitudinal de la Sierra Road Project — Section 2; and the concessions for the Callao and Paita Ports, the Lima Metro Line 2 and regional airports.

However, in 2025, important concessions have been granted through PPPs. Among these are the awarding of the concessions for the Peripheral Road Ring, which seeks to improve the road infrastructure in Metropolitan Lima; the New Port Terminal of San Juan de Marcona, which will enhance the country's port capacity; the Huancayo-Huancavelica Railway, which seeks to improve the infrastructure of the city of Lima; and the Chancay Megaport, inaugurated in November 2024, with the aim of turning Peru into a key port center in the South Pacific and strengthening its connection with Asia.

Public Works Tax Deduction Law

Through Law No. 29230, the Works for Taxes (“OXI”, for its acronym in Spanish) investment mechanism was created (the “OXI Law”). Its purpose is to promote the development of public investment projects nationwide -at the national, regional, and local levels- by private companies. These projects include public works, operation and maintenance activities, as well as investments in optimization, rehabilitation, and replacement of existing infrastructure.

Under this mechanism, private companies finance the project in exchange for a Public Investment Certificate (“CIPRL” or “CIPGN”), which may be used to offset up to 80% of advance payments corresponding to national taxes, including Corporate Income Tax, Value Added Tax (VAT), Selective Consumption Tax, Temporary Net Assets Tax, and Special Mining Tax.

In October 2025, the latest amendments to the OXI Law were approved, introducing significant changes, including the possibility of using CIPRLs or CIPGNs not only to pay Corporate Income Tax but also the taxes mentioned in the preceding paragraph, as well as the possibility of developing services under the Works for Taxes mechanism. Currently, this modality may even be used for the preparation of Territorial Zoning Plans.

On March 13, 2026, the new Regulations to the OXI Law were published, approved by Supreme Decree No. 038-2026-EF (the “Regulations”). The Regulations strengthen the eligibility requirements for participating in public tenders convened to select the company responsible for the financing and execution of works or services under this mechanism.

This mechanism, among other things, reduces the usual time that it takes to develop a public investment project through other modalities, such as construction contracts.

To execute this type of project, government entities are required to send a list of prioritized projects to PROINVERSION to be published on its website. By doing so, companies interested in executing these projects can express their interest. Likewise, companies can prepare a project and present it to the public entity as a private initiative that must meet the priorities identified by the sector.

The main benefits of projects executed through the Public Works Tax Deduction modality are as follows:

- The company will be able to collaborate in the execution of an investment project while reducing its payment of income tax, VAT, among other taxes previously mentioned.
- The company would not only have a positive impact on the population but also an incentive to fulfill its commitment to social responsibility and improve its public corporate image, helping the state execute projects through a modality that facilitates the projects' completion and preventing cumbersome procedures.

Once the process of selecting the private company that will finance and/or execute the work is carried out, an agreement must be signed for the beginning of the investment phase of the project. At the end of the project, the public entity requests the Ministry of Economy and Finances to issue a CIPRL or CIPGN, which is the representative

document of money that lists the amount invested by the company in the execution of the project.

The government has recently executed the improvement and expansion of Hospital Services at the Victor Ramos Guardia Hospital in Huaraz through the Public Works for Taxes modality. Among the main projects that have been executed through this modality are the construction of interconnected roads in the region of Arequipa; improvement of the Ilabaya-Cambaya-Camilaca road in the region of Tacna; the installation and improvement of drinking water, sewage and storage systems in the region of Moquegua; the expansion and improvement of the capacity of the San Martin de Porres Support Hospital in Macusani in the region of Puno; the Chilina Bridge; and the modernization of police stations of the Peruvian National Police, among others.

In 2025, the Public Works for Taxes mechanism in Peru reached record figures, awarding 1501 projects for a total of PEN 5.18 billion, surpassing all records since its implementation 17 years ago.

Legal stability agreements

This type of agreement, signed between PROINVERSION on behalf of the Peruvian state and the investors, guarantees to the private companies that subscribe to them the permanence of certain legal regimes, although these are subject to modification.

Among the rights that are stabilized are the following:

- Income tax regime
- The regime of free disposition of currencies
- The right to remit abroad the total capital and dividends of the company

- The right to the most favorable exchange rate
- The right not to be discriminated against
- Worker-hiring regime
- Export-oriented regimes, such as temporary admission, duty-free zones and the like

Legal stability agreements have the rank and force of law and stabilize the granted rights for 10 years from their subscription dates.

To be eligible for a legal stability contract, a minimum investment of USD 5 million is required in all sectors, except for the mining and hydrocarbons sectors, which require a minimum investment of USD 10 million.

Additionally, in December 2021, Legislative Decree No. 1516 was issued, through which the cost for access to the stability provided for in the legal stability agreements is standardized. Meanwhile, in the legal stability agreements to which companies receiving investment subscribe, the corresponding income tax is stabilized in accordance with the regulations in force at the time of the subscription of the corresponding agreement. The current rate referred to in the Income Tax Law at the time of subscription time is applied, plus 2%.

The legal framework for the legal stability agreements allows for the beneficiaries to waive and resign for one time to the stability granted in their favor, in case the beneficiary considers more convenient to benefit from current regulations. As consequence of the resignation and from the date of such resignation, the investor and the receiving company will be subject to the applicable legislation and any changes to the legislation in force will have full effect. Resignation will not prevent the investor from applying for new stability agreements, provided that the application complies with all requirements and is

based on new investments reaching the minimum investment amount, in each case.

Legal stability expires if the investment is not made within the prescribed period, which cannot exceed two years from the conclusion of the agreement. It also expires if the investment is not registered on time, or the agreement is transferred without PROINVERSION's consent.

In cases where legal stability agreements are associated with concession agreements, this stability will be in effect for the duration of the concession contract.

Finally, the Organic Law of Municipalities (No. 27972) establishes that municipalities can sign municipal tax stability agreements.

Bilateral Investment Treaties

As part of the guarantees that the Peruvian State offers to foreign investors, there are various bilateral investment treaties to which Peru is a party. Through these treaties, the Peruvian State undertakes commitments and obligations toward foreign investors to ensure the stability of their investments, due process, non-discriminatory treatment, protections against unlawful expropriation, among other safeguards.

Likewise, Peru is a party to the New York Convention, which allows the parties to an international arbitration to enforce an award in any of the signatory countries of said treaty.

Finally, Peru is also a signatory State to the ICSID Washington Convention, which grants jurisdiction to the arbitration center for the resolution of investment disputes arising from breaches of international treaties and commercial arbitrations derived from contracts with the State that expressly submit to said center.



Corporate Vehicles
for Economic
Activities



Corporate Vehicles for Economic Activities

Types of companies

The Law for the Growth of Private Investment, approved by Legislative Decree No. 757 in November 1991, recognizes the investors' autonomy to adopt the business form they choose to conduct economic activities.

Only for activities related to the banking system, the corresponding law may establish the obligation to adopt a certain form of company. Likewise in the mining sector, when two or more persons are holders of a mining concession, they must incorporate a legal entity that becomes the sole holder of said concession; otherwise, the Ministry of Energy and Mines will incorporate a limited liability mining company governed by mining legislation.

The legal framework fully recognizes the existence and capacity of foreign legal entities to exercise in Peru all actions and rights that may correspond to them on a non-customary basis.

For them to exercise all acts included in their corporate purpose on a customary basis, they must adhere to Peruvian law. This supposes that they must at least be recorded in the Public Registry, indicating a domicile and a legal representative. The representative must be Peruvian or any foreign citizen with a formal residence in Peru.

Some sectors may require local incorporation or opening a branch in Peru.

The General Corporations Law (GCL) governs the different types of companies' investors may use to carry out their business in Peru. The three legal types most used by investors are corporations, limited liability companies and branches (which do not qualify as legal entities different from the headquarters). The abovementioned law governs three special types of corporations: the ordinary corporation (Sociedad

Anonima or SA), the closely held corporation (Sociedad Anonima Cerrada or SAC) and the public corporation (Sociedad Anonima Abierta or SAA).

The shareholders or stockholders of any kind of company may enter into shareholders' agreements among them or that may involve third parties, with the purpose of regulating their rights and obligations in the company to establish investment commitments, minimum periods of permanence in the company and voting pool agreements, etc.

Corporations

The ordinary corporation is the most widely used form of running a business in Peru. It is eminently capitalist, offers limited liability and structured to allow the separation of management from ownership. A minimum of two shareholders (individuals or legal entities) is required to incorporate a company. The share capital is divided into transferable titles known as shares. The transfer of shares is free, unless the shareholders agree otherwise.

Regarding the capital stock of the corporation, the law does not establish a minimum amount of capital. Nevertheless, some industries — for example, the financial system — establish some minimum capital requirements. The initial capital contribution for incorporation must be deposited in a local bank.

General shareholders' meetings, the board of directors and general management are the bodies involved in corporate governance. Bylaws are contained in a public deed and recorded in the Public Registry.

Furthermore, Peruvian law stipulates that there are two special types of corporations. Therefore, the rules of the ordinary corporation will also be applicable to closely held corporations and public corporations where no special rules are in place.

Closely held corporations

Closely held corporations resemble limited liability companies (see below). They require a minimum of two and a maximum of 20 shareholders.

Certain limitations apply to the transfer of shares, such as the right of first refusal (unless otherwise agreed), and in some cases even the corporation's consent (which should be agreed upon in the bylaws).

Shares cannot be listed on a stock exchange. These types of companies, depending on the provisions set forth in the bylaws, may or may not have a board of directors. Similarly, this form of corporation allows virtual shareholders' meetings. It is an ideal corporate structure for small businesses or those with a small number of shareholders.

Public corporations

A corporation is deemed public when it complies with at least one of the following conditions:

- The company has made a public offering of shares or convertible bonds.
- The company has more than 750 shareholders.
- Over 35% of the company's share capital is owned by 175 or more shareholders, except those shareholders whose individual holding is less than 0.2% or exceeds 5% of the company's share capital.
- The company incorporates as such.
- All the voting shareholders unanimously approve adopting said system.

A public corporation must list all its shares on the stock exchange. Moreover, it is subject to regulation by the SMV.

Limited liability companies

Incorporation as a limited liability company requires a minimum of two and a maximum of 20 partners. Limited liability companies neither issue shares (the capital is represented by quotas) nor have a board of directors. The procedures for incorporating are the same as for an ordinary corporation. The right of first refusal is mandatory for this type of company.

Branches of foreign corporations

Establishing a branch in Peru is like incorporating. It requires formalizing through the execution of a public deed in Peru, which must contain at least (i) a certificate of good standing of the parent company; (ii) a copy of the bylaws of the parent company; and (iii) a corporate resolution indicating the share capital that the parent company allocates for the branch's operation; the purpose of the branch, business and operations to be conducted; a statement that such activities are included in the purpose of the parent company; the domicile of the branch in Peru; the appointment of at least one legal representative in the country; powers granted to the legal representative; and its adherence to Peruvian laws for the purpose of holding the parent company liable for the branch operations in Peru.

The Peruvian consul located in the jurisdiction of the headquarters must legalize the documents, and the Ministry of Foreign Affairs in Lima must certify the consul's signature. If the head company is incorporated in a jurisdiction that is a member of the Hague Convention of 1961, the documents shall be appropriately apostilled instead.

Closed simplified joint-stock corporation

Legislative Decree No. 1409 created a new corporate regime called a closed simplified joint-stock corporation (Sociedad por Acciones Cerrada Simplificada or SACS). The incorporation of this new corporate regime is intended to promote the economic activities of natural persons and promote the development of micro-, small and medium-sized enterprises.

Although this new type of corporation is very similar to an SAC, the main difference is that the private document that contains the SACS' incorporation act is generated through SID-SUNARP (the SUNARP portal, through which everything related to the incorporation of this type of corporation is processed) and signing the document by means of a digital signature. Unlike the closely held corporation, it will not be necessary to record the incorporation act in a public deed. Similarly, the application for registration, payment of registration fees, observations, amendments and annotations of registration at the Public Registry must be managed through the SID-SUNARP portal. However, subsequent acts will be processed according to the general rules of the Public Registries and the GCL.

Companies' reorganization proceedings

There is a variety of legal procedures for a company's reorganization under Peruvian law. These mechanisms are applicable to all corporations and other legal entities regulated by Peruvian law. The key mechanisms to reorganize a company are as follows:

Mergers (where two or more companies combine to create a new independent company, or one company absorbs the entire business of the other company, and this target company ceases to exist)

Simple reorganization (the segregation of assets and liabilities, and/or business lines to transfer these to a subsidiary company)

Spin-off (the segregation of assets and liabilities, and/or business lines to transfer these to another company or to incorporate a new company, or a complete split of the company being spun off in two or more new companies)

Transformation (the transformation of one company into another form or type of company or even into another kind of legal entity)

Relating to corporate reorganizations that involve business concentration, parties must comply with Urgency Decree No. 013-2019, which approved the general regime for the prior control of companies' concentration operations. For more information, please review the section on Protection of Free Competition.

Power of representation

To enhance their performance, the different corporate structures and business combinations recognized by the Peruvian legal system require an efficient power structure. As governing bodies, the GCL grants the board of directors and the general manager with powers of representation to achieve its corporate purpose.

In addition to that, the GCL grants the general manager with powers of attorney to dispose and constitute liens or guarantees over the company's assets, enabling them to enter all types of civil, banking or corporate contracts, as well as to sign and execute all types of securities transactions without reservation or limitation, unless otherwise duly and expressly stated.

Nevertheless, market requirements frequently demand the registration of specific power structures.

Powers of attorney become an essential factor for foreign corporations present in the Peruvian market through branches and subsidiaries. They are equally important for corporations established abroad, which lack legal representation in the Peruvian territory. Any proper attempt

to start business activities will require the creation of a power structure and the appointment of a representative.

To validly appoint an attorney-in-fact from abroad, the Peruvian legal system demands a precise legalization sequence before relevant authorities, such as the Ministry of Foreign Relations, consulates and chambers of commerce. Alternatively, all documents duly apostilled will be valid in Peru.

Partnership agreements

Partnership agreements create and govern participation and integration relationships for a certain business activity of common interest to the participants. The partnership agreement does not constitute a legal entity. It must be established in writing and does not require registration before the Public Registry.

Partnership agreements may be an association in participation (contratos de asociación en participación) or a consortium (contratos de consorcio). In an association in participation, the managing partner grants the contributing partners a participating interest in the earnings or profits of one or more businesses or enterprises belonging to the managing partner in exchange for a specified contribution. In a consortium, two or more parties become partners and have an active and direct participation in a specified business or company for obtaining an economic profit.

Joint ventures

Even though joint ventures are not contemplated in domestic regulation, this contractual form has become more common within the domestic economic sectors. A joint venture generates a legally binding relationship between two or more individuals or legal entities willing to develop a certain economic activity for a specific period.

Unlike other partnership agreements, this form may generate an independent legal entity. Without an exact and final definition, a joint venture is a versatile legal form that may be adapted to a variety of situations.



Tax
Regime



Tax regime

Key Updates

Peru's tax environment has undergone significant changes that will directly impact tax planning and business management during 2026.

Through Legislative Decree No. 1662, effective as of January 1, 2025, the retroactive application of Advance Pricing Agreements (APAs) was introduced. This measure allows APAs to be extended to prior fiscal years, provided that the conditions and facts are identical to those of the APA; the statute of limitations for SUNAT to determine the tax liability has not expired; and no prior resolution exists regarding the valuation of transactions.

Additionally, Legislative Decree No. 1663 and Supreme Decree No. 302-2025-EF incorporated alternative valuation methods applicable to transactions and/or activities within the scope of transfer pricing when the six traditional methods cannot be applied. These include the discounted cash flow method, multiples method, equity value method, appraisal, and the multi-period excess earnings method. These methods must be based on international valuation standards and supported by documentation justifying their use.

Furthermore, the Multilateral Instrument (MLI) officially entered into force in Peru on October 1, 2025, marking a major shift in the country's approach to international taxation. Although its formal enactment occurred in 2025, its practical effects began to apply during 2026. For withholding taxes (dividends, interest, royalties), it applies to events occurring on or after January 1, 2026; and for other taxes, it applies starting April 2026.

The main changes introduced by the MLI include the incorporation of an anti-abuse rule known as the "Principal Purpose Test," broader criteria for determining permanent establishments, the inclusion of mutual agreement procedures and arbitration for dispute resolution,

enhanced transparency and automatic exchange of information measures, and a new capital gains rule for transfers involving more than 50% of value derived from immovable property.

General standards

The Framework Law on Private Activity Growth, approved by Legislative Decree No. 757 in November 1991, develops the constitutional principles of legality and publicity in tax matters. It sets limits on the capacity of regional and local governments to create, modify or delete taxes.

International agreements

Peru has double tax treaties currently in force with Brazil, Canada, Chile, Japan, Korea, Mexico, Portugal, Switzerland and United Kingdom, as well as with the member countries of the Andean Community (i.e., Bolivia, Colombia and Ecuador).

Single taxpayer's registration or tax ID

Any subsidiary or branch incorporated or established in the country must obtain a single taxpayer's registration or taxpayer ID (Registro Unico de Contribuyentes or RUC) number.

Although from the point of view of company law there are no restrictions on the general manager being a foreign individual, the tax administration requires that the general manager of a Peruvian company be a Peruvian citizen, or a foreign citizen but with an immigration card. The purpose of this requirement is so that such person may be registered as the legal representative of the company in the Single Registry of Taxpayers.

Income tax

Companies incorporated in Peru are subject to income tax, both from domestic- and foreign-sourced income. The fiscal year ends on 31 Echeopar

December, and there are no exceptions. The annual tax return is normally filed by 31 March of each year.

Monthly payments are generally required to be made based on the estimated annual tax.

There is currently no inflation adjustment of accounting for tax purposes.

Expenses incurred to generate income or maintain their source in terms of productivity are deductible for income tax purposes, provided certain requirements regarding specific expenses are met.

According to the thin capitalization rules, interest will not be deductible to the extent that it exceeds 30% of the EBITDA of the previous year. The rule defines EBITDA as net income (taxable income minus costs and expenses), after offsetting losses plus interest, depreciation and amortization. This rule does not apply to taxpayers whose net income is equal to or less than 2,500 UIT (equivalent to PEN 13,305,000 for fiscal year 2026), and companies in the financial and insurance system, among others.

Expenses arising from transactions directly or indirectly carried out with residents in tax havens are not deductible for tax purposes.

Depending on the system elected by the taxpayer, losses can be carried forward for a maximum of four consecutive years (System A) from the year following that in which they are incurred, or until the aforementioned losses are fully offset, in which case the amount of the annual offset is limited to 50% of the net taxable income of each respective year (System B). For the purposes of the Income Tax Law, capital gains are those derived from the sale of goods that are not intended to be marketed within the scope of a line of business of the company (i.e., as opposed to business income).

In general, the capital gain derived by non-Peruvian tax resident investors from the sale of securities (i.e., stock, bonds, etc.) issued by

companies incorporated in Peru will be subject to Peruvian income tax. The income tax rate applicable to the capital gain will be 5% or 30%, depending on whether the sale is made within or outside the Lima Stock Exchange, respectively. If the seller is a Peruvian tax resident, the income tax rate mentioned above shall be 5% or 29.5%, respectively, depending on whether the seller is an individual or a company. The income tax rate could be reduced if certain double tax treaties come into play.

Capital gain derived by Peruvian tax resident individuals from the sale of securities issued by a foreign company is subject to 8%, 14%, 17%, 20% and 30% progressive income tax rates. However, if the securities issued by the foreign company are registered in the Peruvian Public Registry of Securities and the sale is made: (i) through a centralized negotiation mechanism of the country; or (ii) foreign trading mechanisms subject to an integration agreement (currently, there are agreements with Chile, Colombia and Mexico), the applicable income tax rate shall be 6.25%. Companies incorporated in Peru shall be subject to the regular 29.5% income tax rate on the capital gain.

Capital gain derived from the indirect sale of shares representing the equity of a company incorporated in Peru is considered Peruvian-sourced income.

An indirect sale occurs when the stock of a foreign company that owns stock in a company incorporated in Peru (directly or through one or more companies) is transferred, provided that in any of the 12 months before the sale, the market value of the stock of the aforementioned Peruvian company is equivalent to 50% or more of

the market value of the stock of the foreign company (50% equivalence rule).²

The indirect sale of shares of a Peruvian company described above will be triggered after the transferor or its related parties transfer a minimum 10% of the stock of the foreign company within a 12-month period. If the threshold is not met, the indirect sale provisions do not apply.

In addition, an indirect transfer of Peruvian shares shall also occur when the total value of the shares issued by the Peruvian company, subject to the indirect transfer within any 12-month period, exceeds 40,000 tax units (equivalent to PEN 220 million for fiscal year 2026). The value will be determined by applying: (i) the equivalency percentage (proportion) of the market value of the shares of the Peruvian company represented in the market value of the shares of the foreign company (shareholder of the Peruvian company); to (ii) the price agreed by all related parties on the transfer of the shares of the foreign company.

An indirect sale of the shares of a Peruvian company is also deemed to have occurred when the foreign company issues new shares upon a capital increase — pursuant to a capital contribution, debt capitalization or a reorganization — below market value, if the 50% equivalence rule described above is met.

As in any other transaction, for tax purposes, a sale of shares, either direct or indirect, shall be made at market value.

² Specific valuation methods will apply to determine the fair market value of the shares of the foreign entity and the Peruvian entity/entities for the purposes of applying the 50% equivalence rule.

Since 2023, new rules regarding the market value of shares issued by Peruvian companies where they are directly transferred were incorporated.

Listed Peruvian shares shall be the stock exchange price.

If the company shares are not traded in a stock exchange, the discounted cash flow (DCF) method will apply. A DCF valuation will be required if the entity under analysis anticipates future cash flows or has certain items, such as licenses, authorizations or intangibles, that make future cash flows a possibility. The DCF method will not apply if: (i) the transferor owns less than 5% of the Peruvian entity's shares; or (ii) the net income of the Peruvian entity accrued in the previous tax year does not exceed 1,700 Peruvian tax units (PEN 9,350,000).

The equity value: This method applies if there is no predictable expectation of future cash flows. Specific rules apply for determining the equity value for certain scenarios.

For transactions between related parties, the market value must be determined according to the transfer pricing rules.

The capital gain derived from the indirect sale of shares issued by a Peruvian company shall be subject to a 30% income tax rate, or 5% if that sale is carried out through the Lima Stock Exchange.

Capital gain subject to Peruvian income tax, as previously described, shall be calculated by deducting the cost basis from the assets transferred. For such purposes, the non-Peruvian tax residents must file a "cost certification" before the Peruvian tax authorities, which requires the fulfillment of certain legal and formal requirements. This requirement does not apply if the transfer takes place through the Lima Stock Exchange.

Interest earned by a company on its bank deposits is subject to a 29.5% income tax rate. Such interest earned by individuals shall be exempt from income tax until 31 December 2026.

The income tax depreciation rate is 5% for buildings and constructions. The following maximum income tax depreciation rates are also applicable: 20% for vehicles; 25% for livestock; 20% for machinery and equipment used in mining, oil and industrial construction; 25% for hardware; and 10% for other fixed assets.

Companies incorporated in Peru shall be subject to the 29.5% income tax rate. Dividends distributed to Peruvian tax resident individuals, non-Peruvian tax resident individuals and foreign companies are subject to a 5% withholding income tax rate. Loans provided by a Peruvian non-banking company to its shareholders are deemed dividend distributions to the extent of the company's accumulated earnings and freely disposable reserves.

Royalties paid to non-Peruvian tax residents are subject to a final 30% income tax rate, to be withheld by the local taxpayer. Interests paid to non-Peruvian tax residents are subject to a 4.99% withholding income tax rate, provided certain debt and interest-related requirements are met. Otherwise, the withholding income tax rate on interest shall be 30%. Interest paid to a foreign related company is also subject to the 30% withholding income tax rate.

Payments made abroad for technical assistance services are subject to a 15% withholding rate, provided certain requirements are met. Otherwise, these payments are subject to the regular 30% withholding rate.

Branches are only taxed on their Peruvian income, while affiliates or subsidiaries are taxed on their worldwide income. All forms of corporations are subject to the same taxes.

Local companies that hold foreign investment may enter into tax and legal stability agreements with the Peruvian government. The tax stability regime is limited to income tax, including the tax rate in force at the time such agreements are signed plus 2%, except for certain

economic sectors — such as mining, oil and gas — in which tax stability extends to other taxes.

For the agricultural sector, through Law No. 31110, it was approved a regime that applies to taxpayers that develop crops and/or breed animals or are involved in agro-industrial activities and use agricultural products mainly outside the provinces of Lima and Callao. The regime includes agricultural producers, excluding those organized in producer associations, if each individual member does not exceed 5 hectares of production. The regime does not apply to taxpayers engaged in activities related to wheat, tobacco, oilseeds, oils and beer.

The regime applies a 15% income tax rate to net revenues at or below 1,700 tax units (equivalent to PEN 9,350,000 in 2026) from 2021 to 2030. Taxpayers with net revenues at or below 1,700 UIT in the tax year may also claim an income tax credit equal to 10% of reinvestments (amount from profits used to improve the competitiveness of agribusiness) that prioritize the implementation of a technical irrigation system.

For net revenues over 1,700 tax units, the income tax rate gradually increases as follows:

- 2025-2027: 25%
- 2028 onward: 29.5%

Additionally, in September 2025, through Law No. 32434, an additional package of tax benefits was approved to promote the productive, competitive, and sustainable transformation of the agricultural sector.

The specific tax benefits incorporated for small agricultural producers include an exemption from Income Tax (IR) provided their annual income does not exceed 30 Tax Units (PEN 165,000) in the taxable year. When income exceeds 30 Tax Units and up to 150 Tax Units, IR

will be determined by applying a rate of 1.5% on the excess over 30 Tax Units.

For agricultural companies, IR will be determined by applying the following rates:

- 2025–2035: 15%
- From 2036 onwards: 29.5%

Additionally, agricultural companies may access a special deduction of up to 10% for purchases made from taxpayers under the simplified regime, with a limit of 200 Tax Units (PEN 1,100,000) per year. They may also access an additional deduction of 25% on the value of products purchased from small agricultural producers registered in the official registry.

Finally, an accelerated depreciation regime has been incorporated, with a rate of 20% for agricultural companies that invest in hydraulic infrastructure and irrigation works used for generating taxable income, provided the acquisition occurs during the fiscal years from 2026 to 2035.

Agricultural companies that opt for the regime under Law No. 31110 may not benefit from the provisions of Law No. 32434.

In addition, Law No. 27037 establishes a regime to promote investment in the Amazon region, including tax benefits that depend on the activity performed by the taxpayer and its specific geographical location.

For the purposes of the regime, the Amazon region is composed of the following areas: Loreto, Madre de Dios, Ucayali, Amazonas and San Martín, as well as some provinces of the departments of Cajamarca, Huánuco, Junín, Pasco and some districts of the departments of Ayacucho, Cusco, Puno, La Libertad, Huancavelica and Piura.

To qualify for the tax benefits under this Amazon regime, the potential beneficiary's tax address, fixed assets and registration must be in the Amazon region. In addition, potential beneficiaries must be engaged in the following economic activities: livestock; agriculture; aquaculture; fishing; tourism; forest extraction; manufacturing related to the processing, transformation and trading of primary products derived from the abovementioned activities; as well as forest transformation or trade.

The activities listed in the preceding paragraph are subject to either income tax exemptions or reduced 5% or 10% rates, depending on their geographic location and economic activities. Taxpayers in the Amazon region that mainly develop agricultural activities and/or transformation or processing of products that qualify as native products and/or alternatives in such field will be tax exempt.

In addition, monthly advanced payments of income tax may be determined by applying either the 0.4% or 0.7% rate to the monthly net income, depending on whether they are subject to the 5%- or 10%-income tax rate.

The tax benefits described above will be in force until 1 January 2049.

Value-added tax

The Peruvian VAT rate (general sales tax — VAT) is 18% and is applicable to the following activities:

- Sales of goods/products in Peru
- Services rendered or hired in Peru
- Construction contracts
- First sale of real estate by the builder

- Importation of goods

The VAT paid on the purchase of goods or services may be used as tax credit against the VAT deriving from transactions performed by the company.

Exporters can request a refund of VAT paid on the purchase of goods and services. They can also use the refund as a credit against the VAT levied on their operations or against payment of income tax obligations.

Companies that have not initiated productive activities and that import or purchase capital goods to produce goods and services for export, or which are subject to VAT, are eligible for the general or special early VAT recovery regime, depending on the requirements met by the participating company. This regime consists of filing before the Peruvian tax authorities a request for a refund of the tax credit derived from the VAT paid on the purchase of goods, services and imports described above during the company's pre-operative phase.

At the same time, if certain requirements are met, a definitive recovery of VAT regime has been approved for the VAT paid by companies in the mining or hydrocarbons sectors during their exploration phase. This benefit will be in force until 31 December 2027.

Taxpayers registered in the Amazon region are generally entitled to VAT exemption on the sale of goods that are consumed within the Amazon region, the provision of services in the Amazon region, and the construction contracts or first sale of real property performed by the builders of such property in the region. Such benefits will be in force until 1 January 2049.

The sale of some products — mainly agricultural — and the provision of services listed in specific annexes of the Peruvian VAT law are exempt from VAT until 31 December 2025.

As of December 2024, the Peruvian tax regime has been modified to collect VAT applicable to individuals for transactions carried out with non-resident suppliers within the framework of the digital economy.

Thus, non-resident providers of digital services are required to act as withholding and collection agents for the VAT levied on transactions carried out with individuals in Peru who do not engage in business activities.

Non-resident digital service providers must register on the platform enabled by the Peruvian Tax Administration for this purpose and comply with filing a monthly tax return and paying the tax determined to the Peruvian treasury in local currency or USD. In addition, they must submit an annual informative return, in the manner and conditions established by the Tax Administration.

The Tax Administration publishes a periodic list of non-resident entities that have failed to comply with their obligations, indicating from which moment these agents no longer hold the status of withholding or collection agents.

Selective consumption tax

The following activities are subject to the selective consumption tax (Impuesto Selectivo al Consumo or ISC) or excise tax:

- Sales in the country at the producer level of certain goods incorporated in a list, including fuel, beer, liquor and cigarettes
- Importation of the products listed above
- Betting and gambling, including sweepstakes and raffles

Excise tax on soft drinks, alcoholic beverages, certain vehicles, cigarettes and others, as well as activities related to gambling and

betting, is determined by applying a certain percentage, which varies depending on the specific goods.

Excise tax is also calculated through the ad valorem system in certain cases by applying tax that is based on the retail price (e.g., of beer).

Use of the Peruvian banking system for tax purposes

All obligations more than PEN 2,000 or USD 500 must be paid using the "means of payment."

Likewise, the following payments for amounts equal to or higher than 1 tax unit (approximately PEN 5,550 for 2026) must be made using the Peruvian banking system:

- Transfers of real estate rights or property
- Transfers of vehicles (ships, aircraft or land vehicles)
- A cash contribution for the incorporation of a company, as well as any capital increase or capital reduction of a company

The law considers the following means of payment: i) bank account deposits; ii) drafts and wire transfers; iii) payment orders; iv) debit and credit cards issued in Peru; v) credit cards issued abroad by foreign companies that issue and manage credit cards, as well as by foreign banking or financial entities, provided that payments are channeled through Peruvian financial institutions or banks; vi) checks bearing the "non-negotiable" clause or equivalent; and vii) others to be approved by a supreme decree.

Payments to nonresidents for international trade transactions, the acquisition of real estate, or the acquisition of shares and other securities may be made through foreign banking/financial entities (unless the foreign banking/financial entities are residents of tax havens; in that case, the payment will not be valid for Peruvian tax purposes).

The law provides that payments made through means other than those described above shall result in expenses, costs or credits not being deductible for the assessment of taxable income for income tax purposes.

If the payment is made to a third party, the taxpayer shall communicate the appointment of that third party to the Peruvian tax authority before making the payment.

Financial transactions tax

The Financial Transactions Tax (FTT) is a temporary tax that levies certain financial transactions specified in the law that established this tax.

The FTT is applicable regardless of the amount of the transaction, whenever a means of payment is used, regardless of whether it was required by law (i.e., provided the PEN 2,000 or USD 500 threshold is not exceeded).

Credits or debits to the accounts of governments, diplomatic and consular missions, and international agencies and organizations authorized to carry out their activities in Peru are exempt from the FTT.

The current tax rate is 0.005%, and this applies to the amount of financial transactions in local or foreign currency, without any deduction.

The FTT shall be withheld and paid by the financial institutions and other companies specified by law. This tax is deductible for income tax purposes.

Temporary tax on net assets

Temporary tax on net assets (Impuesto Temporal a los Activos Netos or ITAN) is levied on the assets of persons generating taxable

business income (usually companies), in accordance with the applicable provisions of the Peruvian income tax law.

The tax rate is 0.4% and is applied to the value of company assets more than PEN 1 million.

The tax actually paid can be used as credit against advanced income tax payments or tax owed on the annual tax return.

If it cannot be offset, a refund may be requested in the fiscal year following that in which it was generated.

Tax levied on the exploitation of remote games and remote sports betting

As from 1 April 2024, the Peruvian tax regime has introduced a new tax on the exploitation of remote games and remote sports betting developed on technological platforms that require MINCETUR's authorization for their exploitation. In effect, Law 31557 was published in August 2022, which introduced a 12% tax on the net monthly income, which is equal to the difference between the gross monthly income received in a month and the total amount of refunds and prizes delivered in the same month.

For these purposes, the monthly net income would be determined by deducting the maintenance expenses of the technological platform of remote games or remote sports betting.

Most relevant municipal taxes

Property tax: A natural or legal person in each district levies this tax on the ownership of property. The rate varies between 0.2% and 1%, depending on the value of the property determined by the municipal tax authorities. The tax must be paid annually.

Alcabala excise tax: This tax applies to the gratuitous or onerous transfer of land property. The rate is 3% and is applied to the value of

the property agreed by the parties or the self-appraisal value determined by the district municipality where the property is located, whichever is greater. The buyer must pay the tax.

Automotive tax: This tax is generally applicable to automobiles owned by individuals and companies and is levied at an annual rate of 1% of the original purchase price of automobiles no older than three years.

Other municipal taxes: These are public cleaning service fees; local public security services fees and local park maintenance services fees.

Local governments or municipalities are authorized to create, amend or annul certain local taxes related to the services they provide to the public.



Labor and Immigration Regime



Labor and Immigration Regime

Employment contracts

General characteristics of contracts

The agreement to render personal, subordinated and remunerated services is deemed an indefinite-term labor contract.

The only requirement for hiring local personnel is that the employee must be of the age of majority (i.e., 18 years). Minors between 15 and 18 years must have parental permission and the approval of the Ministry of Labor (www.mintra.gob.pe).

Local personnel are usually hired for an indefinite period. In this case, it is not mandatory to enter a written labor contract. In the case of part-time, fixed-term or foreign employees, the agreement must be executed in writing. Fixed-term employment agreements are allowed, but only in cases provided by law.

Part-time employment contracts

Part-time employees are those who work less than four hours a day on average. In order to obtain the mentioned average, the weekly number of working hours must be divided by the five or six days worked, as appropriate. Part-time employees may work 24 hours a week if the employer establishes a six-day work week. If the work week mandates working for five days or less, then the maximum working hours a week must be less than 20 hours.

Part-time employment agreements must be executed in writing and be submitted to the labor authority.

Part-time employees are only entitled to certain mandatory labor benefits that do not require rendering service of four hours or more a day (i.e., vacations (only six working days after a year of continuous

service), legal bonuses, life insurance policy, family allowance and profit sharing, when applicable).

Fixed-term employment contracts

Fixed-term employment contracts are permissible, but only in the cases provided by law.

Fixed-term contracts must be entered into in writing. Employers must describe in detail the cause that justifies the use of this type of contract.

Employers no longer have the obligation to register fixed-term employment contracts at the virtual platform of the Ministry of Labor or the Regional Labor Offices. The non-mandatory registration applies to contracts signed from 11 November 2016.

The Peruvian legal system has established nine modalities of fixed-term employment contracts:

- (i) **Beginning of a new corporate activity:** This is an agreement between the employer and employee upon the beginning of a new activity. The law considers as "new activity" the beginning of a productive activity of a company, the installation or opening of new establishments or markets, as well as the beginning of new activities or the increase of already existing activities within the same company. The maximum duration is three years. This type of contract may be executed for shorter periods and renewed subsequently if these do not exceed the maximum term.
- (ii) **Market needs:** This is an agreement executed due to temporary and unforeseeable increases in production, brought about by substantial market variations. Its maximum duration is five years, including the initial contract and its extensions.
- (iii) **Corporate reconversion:** This is used to accomplish activities derived from the replacement, extension or modification of the

ordinary or complementary activities of the company. Its maximum duration is two years. This type of contract may be executed for shorter periods and renewed subsequently if these do not exceed the maximum term.

- (iv) **Occasional:** This is executed for contracting services derived from transitory needs other than the ordinary needs of the company (in our opinion, complementary). Its maximum duration is six months per year.
- (v) **Replacement:** This is a contract for the replacement of an employee subject to an indefinite-term employment agreement, whose relationship is suspended due to any of the grounds set forth by law or the performance of tasks entrusted to them. Its duration depends on the term of suspension of the replaced employee.
- (vi) **Emergency:** This is a contract executed if personnel are needed due to the occurrence of force majeure events. Its duration is the necessary to cover the emergency.
- (vii) **Certain work or specific service:** This refers to a contract for the performance of transitory and specific works or services. The duration of this type of contract is for the entire time needed to complete the work or service.
- (viii) **Intermittent service:** This is a contract executed to perform permanent but discontinuous activities in the workplace. The original contract and extensions may be executed with the same employee, who has preferential right to reinstatement, as may be set forth in the original contract and will be effective without an express extension of the contract. The term depends on the activity to be performed, which is either short-term or discontinued.

- (ix) **Seasonal contract:** This contract may be used for the coverage of seasonal activities. Its duration depends on the extension of the season.

The Peruvian legal system allows the execution of different and continuous fixed-term contracts with the same employee, under different modalities, depending on the needs of the employer. The only requirement is that they do not go beyond the maximum duration of five years, except in cases where the law provides a shorter maximum term.

Certain situations provided by law may lead to fixed-term employees being considered as indefinite-term personnel (fixed-term contract's distortion).

There is no limit to the number of employees who can be hired under fixed-term contracts, provided that their contracts are included in the cases set forth by law.

In addition, a permanent employee who is terminated cannot be contracted under a fixed-term contract, unless one year has elapsed since their termination.

Trial period

Peruvian labor regulation establishes a three-month trial period for regular personnel. Upon the expiration of this period, the employee is protected against unlawful dismissal. Only management or trusted qualified employees may agree on a longer term. The extension of the trial period must be made in writing and may not exceed, along with the original trial period, six months for trusted employees and one year for management employees.

Quota of employees with disabilities

Pursuant to Law No. 29973, at least 3% of employees in private companies with more than 50 employees must be disabled employees.

The calculation is performed by considering (i) the number of employees registered in the payroll and (ii) the period between 1 January and 31 December of each year. The labor authority has been checking companies' compliance with the quota since January 2016.

Working hours

Employees must render an eight-hour workday or a 48-hour workweek at the maximum.

Overtime is calculated based on the hourly rate. The first two hours of overtime are paid at 25% of the employee's regular hourly pay. The following hours are paid at 35% of the employee's regular hourly pay.

Accumulative or atypical work periods are allowed, provided they do not exceed the average of 48 hours of work per week.

Management personnel, employees who are not under immediate supervision, and those who perform intermittent services with waiting periods or security services are not entitled to overtime pay.

Paid leaves

As established by Peruvian rules, the main paid leaves (in addition to vacations) are as follows:

Weekly rest

Employees are entitled to a minimum rest period of 24 hours per week. It is possible to work on Sundays and have a rest day on another day of the week.

If an employee works on a weekly rest day without taking a substitute day off, the employer will pay them an additional 100% of the daily salary.

National holidays

Employees do not have to render services on holidays established by law, but they do have the right to earn the salary corresponding to such days.

If an employee works on a legal holiday without taking a substitute day off, the employer shall pay an additional 100% of the daily salary.

Sick leave

The duration of the sick leave depends on the employee's inability to work due to sickness or any disability.

For the first 20 days of sickness/disability, the employer must pay the employee's corresponding salary to cover the sick leave period. After 20 days, the Social Security Service pays the employee's salary, with a disability subsidy for a maximum of 11 months and 10 days. Under this arrangement, the employer pays first and is later reimbursed by the Social Security Service.

Maternity leave

The maternity leave is for 98 days (49 days of prenatal leave and 49 days of postnatal leave). The prenatal leave may be deferred, partially or totally, and accumulated with the post-natal period, at the pregnant employee's decision. Such decision must be notified to the employer no less than two months before the probable date of birth.

Additionally, in cases of multiple childbirth or if the child has a disability, postnatal leave will be extended for another 30 calendar days.

Paternity leave

The duration of this leave period is 10 calendar and consecutive days and is granted by the employer to the father whose spouse or partner gives birth. In the case of premature or multiple birth, the period may be extended to 20 consecutive days.

If the mother dies during childbirth or while on maternity leave, the father will be the beneficiary of the paid maternity leave. In this case, he can use the combined maternity and the paternity leave periods.

Adoption leave

Employees who have adopted a child are entitled to a 30-day leave if the child is under 12 years old.

If the petitioners are spouses, the woman will take the leave.

Leave due to serious illness or accident of direct relatives

Employees are entitled to a paid leave for a maximum of seven days if their child, parent, spouse or partner has been diagnosed with a serious or terminal disease or if they have suffered a serious accident.

If the employee needs more days to assist their relative, they will be permitted to take leave for no more than 30 days, which will be taken from their vacation days' allocation. If, on an exceptional basis, the employee needs to extend their leave, they may agree with the employer to set off the leave/s with overtime work.

Leave to take care of disabled relatives

Employees who care for disabled relatives who need medical assistance or to attend therapy sessions are entitled to paid leave of up to 56 hours per year, whether continuous. If a worker is primarily responsible for a person with disability, they may take a leave until the transition to an alternative support system is completed.

Bereavement leave

Bereavement leave is equivalent to five paid calendar days in the event of the death of a spouse, parents, children or siblings.

Oncological prevention leaves

In terms of oncological prevention, there are two mandatory leaves of absence. The first one, for preventive oncological examinations, is equivalent to two working days with subsequent compensation. The second, for early detection exams for breast and cervical cancer, is equivalent to one paid day per year.

Mandatory employee benefits

An employer is not only required to accomplish all the obligations related to the payment of the employee's remuneration but is also required to grant all mandatory rights and benefits decreed by Peruvian labor regulations.

These rights and benefits are as follows:

Minimum wage

The new minimum wage is PEN 1,130. The government may adjust this minimum wage periodically.

Legal bonuses

There are two mandatory bonuses within the year, each of which is equivalent to one month's remuneration. If the employee works the complete semester, the first bonus is payable during the first half of July, while the second one is payable during the first half of December. The bonuses are calculated based on the monthly remuneration received by the employee, plus the regular remunerations received during the corresponding semester. If the employee is not employed during the complete semester, the bonus is

pro-rated, and the employee receives one-sixth of the bonus per worked month.

Pursuant to Law No. 30334, bonuses are not subject to any social contribution, except income tax. Therefore, the employer shall pay directly to its employees, as an extraordinary bonus, a figure amounting to 9% of the contribution to the Social Security Service (known as ESSALUD). If the employee is covered by a private healthcare provider, this extraordinary bonus must be equivalent to 6.75% of the bonus.

Compensation for length of service

This is a legal benefit of semiannual deposits of approximately 8.33% of the wages — including bonuses — earned each semester.

The deposits are made every May and November to an account called a "CTS account" in the bank chosen by the employee. The semesters considered for each deposit are November to April for the May deposit and May to October for the November deposit.

Employees may freely use the total amount deposited to their accounts once the employment relationship is terminated. However, at any time before the termination of employment, employees may withdraw from their CTS accounts up to 100% of the excess of four gross monthly remunerations. Likewise, the withdrawal of 100% of the CTS and the accrued interest is permitted in cases of terminal illness or a cancer diagnosis, duly substantiated.

Vacations

Employees are entitled to a 30-day paid vacation period for each completed year of service. The vacation remuneration is equivalent to an employee's monthly remuneration and must be paid before the employee leaves for their vacation. The vacation remuneration may

also include other complementary and regular remunerations according to law.

To enjoy this benefit, the employee must have completed a full year of service, which is calculated considering the beginning date of the labor relationship.

The 30-day vacation period must be enjoyed without any interruption. However, employees may agree with their employer to break down, accumulate or reduce this period. The annual vacation may be used according to the following rules:

At least 15 of the 30 vacation days must be taken in periods no shorter than seven days.

The remaining days (up to 15) can be taken in periods shorter.

The employee must request the breakdown in writing. There is no obligation to accept the employee's request.

The employer and the employee will decide by mutual agreement the time the vacations will be enjoyed, considering the company's needs and the employee's interests. In the case of disagreement, the employer's decision will prevail.

Family allowance

The family allowance is applied to employees whose remuneration is not regulated by collective bargaining. It gives the employee the right to receive a monthly amount equivalent to 10% of the minimum wage (that percentage is currently equivalent to PEN 113), if they have one or more children under the age of 18, or up to the age of 24 if the child is pursuing higher education. Likewise, employees who have one or more children over 18 years of age with severe disability, as certified by the National Health Authority, are entitled to this benefit, unless they receive the non-contributory severe disability pension.

Profit sharing

Employees have the right to receive profits through the distribution of an annual percentage in the company's income before taxes (between 5% and 10%, according to the kind of activity).

Profit sharing is applicable to companies that have more than 20 employees (employee count includes personnel under indefinite contracts, temporary contracts or part-time contract).

The applicable profit-sharing rate is 10% for fishing, telecommunications and industrial companies; 8% for mining, trading activities and restaurants; and 5% for other activities. In the case of the agriculture industry, 5% is distributed between 2021 and 2023, 7.5% between 2024 and 2026, and 10% from 2027 onwards.

Profit sharing is paid according to these percentages, which are calculated based on annual income before taxes. However, the company is entitled to offset the net profits with accumulated losses from previous fiscal years, without including the deduction of the employees' profit shares. Please note that the deduction that came from applying the statutory profit-sharing rate is considered an expense for tax purposes and therefore may be deducted for income tax purposes.

Life insurance

The employer is required to obtain a life insurance policy for all its employees from the beginning of the employment relationship.

Establishment of a breastfeeding room and its use

Supreme Decree No. 001-2016-MIMP was published on 9 February 2016. This decree establishes the employer's obligation to provide a place especially designed for breastfeeding in workplaces where 20 or more women of childbearing age (between 15 and 49 years old) work,

and to grant at least one hour of daily use for mothers with children up to two years old.

The breastfeeding room must be at least 7.50 square meters and should be a private comfortable environment that must be accessible to mothers with disabilities. It must also have a refrigerator, a water dispenser, cleaning utensils and a sink, among others.

In addition, employers must regulate the use of the breastfeeding room in the Working Rules or in a similar document, and to inform the Ministry of Women and Vulnerable Populations about the establishment of this room within a 10-day period.

Teleworking

Telework in Peru is regulated by the Telework Law, Law No. 31572, and its recent modifications.

- (i) Teleworking can be total or partial. When it is partial, the distribution of the working day must be specified in the employment contract or in the agreement of change of modality.
- (ii) It is voluntary and must be agreed by the parties in writing, in physical or digital format. For duly justified reasons, the employer may provide that the employee may change the mode of performance of their work from face-to-face to teleworking or vice versa.
- (iii) The teleworker is free to decide the place or places where they would regularly perform telework. They must fix a place as usual, the same that must have the digital and communication conditions. In the event of a change to the usual teleworking location, the teleworker must notify the employer at least five business days in advance, except in cases duly justified.
- (iv) It can be temporary or permanent.

- (v) The employer must conduct mandatory training on the following subjects:
- On the use of digital applications and any digital platform used during the development of their work
 - On safety and health in teleworking, adapting such training to the modality of teleworking when appropriate
 - On the prevention of sexual harassment in teleworking
 - On the use of digital media in terms of personal data protection, digital security and trust
- (vi) The employer must compensate for the costs of teleworking assumed by the employee, unless the parties agree otherwise. Equipment, internet access service and/or electricity consumption are provided by the employer. If provided by the employee, these will be reimbursed. However, the parties may agree that the cost will be borne by the employee.
- (vii) The teleworker is prohibited from leaving their usual teleworking location and from engaging in personal activities during their working hours. Only in the case of such personal activities a justification may be submitted; otherwise, failure to do so constitutes a serious disciplinary offense, which may give rise to a disciplinary proceeding.
- (viii) The employer is required to identify the hazards and assess the risks, as well as to implement the corrective measures to which the teleworker is exposed. The employer can verify them directly. Alternatively, the employer and employee may, by mutual agreement, implement the self-assessment mechanism.

Equal Pay Act

The Equal Pay Act (Law No. 30709) aims to prevent salary discrimination and guarantee the right of employees to receive the same salary for equivalent services, not only for identical ones.

To achieve this, employers will have to comply with the following specific obligations: (i) formulate a clear staffing table; (ii) prepare and introduce a salary policy; and (iii) inform employees about their salary policy.

Employers must take all measures to guarantee the fulfillment of these obligations.

COVID-19 preventive measures in the workplace

It is still mandatory for every employer that undertakes activities at their premises to adopt preventive measures to avoid the spread of COVID-19 within the workplace. Even though the Sanitary Emergency ended in Peru in May 2023, the regulations published by the government at the beginning of 2024 in response to the increase in cases remain in effect and require compliance with the following measures:

- (i) Have an updated COVID-19 surveillance, prevention and control plan submitted to the Ministry of Health.
- (ii) Guarantee the cleaning and disinfection of all workplace environments, including furniture, tools, equipment, stationery, etc.
- (iii) Encourage vaccination in the workplace. However, this is not mandatory.
- (iv) Guarantee ventilated work environments. If natural ventilation is not available, mechanical ventilation should be implemented.
- (v) Identify the exposure risk level to COVID-19 (low, medium, high or very high) of each employee. If employees do not work in close and frequent contact with others, their risk will be low. Have health personnel in place according to the number of workers in the company.
- (vi) Home isolation in the event of infection and the use of masks are subject to the recommendation of the occupational physician.

Prevention and punishment of sexual harassment

There is a sexual harassment case under any of the following circumstances:

- An unwanted conduct of a sexual or sexist nature has occurred, which creates an intimidating, hostile or humiliating environment for the victim of harassment.
- An unwanted conduct of a sexual or sexist nature has occurred that may affect the work situation of the victim of harassment (this includes sexual blackmail).

For conduct to be classified as sexual harassment, the following conditions are not necessary:

- The victim rejects the reported harassment behaviors.
- The reported harassment behaviors are repeated.

Employers must meet the following obligations:

- (i) Provide training about the prevention and punishment of sexual harassment, at the beginning of the employment relationship and annually.
- (ii) Provide materials, complaint channels, complaint formats, etc., on the prevention of sexual harassment.
- (iii) Establish an Intervention Committee against sexual harassment (if they have more than 20 employees) or elect a delegate (if they have 20 employees or less).
- (iv) Implement a Policy on Prevention and Punishment of Sexual Harassment (only if they have more than 20 employees).
- (v) Investigate any complaint filed by its employees.

Pension regime

On 24 September 2024, Law No. 32123, the Law for the Modernization of the Peruvian Pension System, was published. This law seeks to coordinate the National Pension System and the Private Pension System, ensuring universal access to a minimum pension, portability between regimes, voluntary contributions, among other matters.

On September 5, 2025, Supreme Decree No. 189-2025-EF was published, issuing its Regulations, whose main provisions are outlined below:

Scope	<ul style="list-style-type: none"> • Affiliates of the National Pension System (SNP). • Affiliates of the Private Pension System (SPP). • Individuals or legal entities, as well as public and private sector entities, that form part of the system.
Mandatory Affiliation Upon Reaching the Age of Majority	<p>Every citizen domiciled in the country who turns 18 years as from June 1, 2027, shall be mandatorily affiliated with the System, choosing between the SNP or the SPP.</p> <p>Deadline: The affiliation selection period expires within 12 months, counted from the day following the date on which the person reaches the age of majority. If the individual does not choose within this period, they will automatically be affiliated with the SNP.</p>
Mandatory Affiliation for	Citizens who are 18 years or older as of May 31, 2027, who are domiciled in the country and who

Individuals Aged 18 or Older	<p>are not affiliated with any pension regime, must mandatorily affiliate.</p> <p>Deadline: Within 12 months counted from June 1, 2027. Beginning June 1, 2028, if the individual has not chosen between the SPP or the SNP, they will automatically be affiliated with the SPP.</p>
Mandatory Affiliation of Minor	<p>A minor who performs dependent economic activities, or who, as from January 1, 2028, receives income categorized as fourth-category income, shall be mandatorily affiliated with the System.</p>
Mandatory Affiliation of Foreign Nationals Engaged in Employment or Independent Economic Activities	<p>Foreign nationals with an employment relationship or who receive fourth-category income, who are not affiliated with any pension regime and who hold a regular immigration status, must mandatorily affiliate with the SNP or the SPP.</p> <p>Deadline: Within 10 calendar days counted from the start of the employment relationship or, as from January 1, 2028, from the start of the independent activity.</p> <p>Foreign nationals covered by valid international social security agreements in Peru shall be exempt from this obligation.</p>
Types of Contributions	<p>Mandatory: Applicable to dependent workers. As from January 1, 2028, it is also mandatory for independent workers who receive fourth-category income.</p>

	<p>Optional/Discretionary: For affiliates of the SNP or SPP who are not engaged in dependent work or who do not receive fourth-category income.</p> <p>Voluntary Contributions:</p> <ul style="list-style-type: none"> • For pension purposes: For affiliates of the SNP or SPP. These comprises the contributions made by the affiliate, employer, third parties, or the State. • Without pension purposes: For affiliates of the SPP.
<p>Contributions from dependent workers</p>	<p>The calculation of contributions is performed according to the pension regime to which the dependent worker is affiliated:</p> <ul style="list-style-type: none"> • For the SNP: The contribution rate may not be lower than 13%. • For the SPP: The contribution is 10% of the insurable remuneration. <p>Mandatory contributions are made 12 times per year.</p>
<p>Contributions from Independent Workers</p>	<p>The mandatory contribution rate for independent workers affiliated with the SNP or SPP is applied to the taxable base starting in 2028:</p> <ul style="list-style-type: none"> • For 2028 and 2029: 2% • For 2030 and 2031: 3% • For 2032 and 2033: 4% • From 2034 onwards: 5%

	<p>The taxable base for mandatory contributions from independent workers is the total monthly income received as fourth-category income.</p>
<p>Consumption-Based Contribution</p>	<p>The consumption-based contribution has the following characteristics:</p> <ul style="list-style-type: none"> • It originates from consumption expenses made by System affiliates, supported by electronic sales receipts or electronic credit or debit notes. • It does not apply to affiliates who have accessed any pension or benefit under any pension regime. • It ceases once the affiliate accesses a pension or benefit, reaches 65 years of age, or dies—whichever occurs first. <p>A special and independent account called the “special consumption account” shall be opened for this purpose.</p> <p>The calculation base for the consumption-based contribution is the sum of the amounts for sales, transfers of use, and/or services provided appearing on the electronic sales receipts issued to the affiliate during each fiscal year and may not exceed eight Tax Units (UIT).</p>
<p>Employer Obligations at the beginning of an employment relationship</p>	<p>Any person who is not affiliated to a pension regime, or who is still within the period to choose one, must mandatorily affiliate with the System (SNP or SPP) when they begin a dependent employment relationship or engage in independent activities generating fourth-category income, as</p>

	<p>from January 1, 2028. Affiliation must be completed within 10 calendar days following the start of the employment relationship or independent activity.</p>
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Social security and taxes

Social Security for Health (ESSALUD)

Pursuant to Law No. 26790, all employees and their dependents are statutory affiliates of ESSALUD.

Monthly ESSALUD contributions are equivalent to 9% of the employee's monthly remuneration and shall be paid by the employer.

Private healthcare providers

In addition to ESSALUD coverage, the employer may grant private healthcare plans to its employees through a healthcare provider (Entidades Prestadoras de Salud or EPS). In these cases, the employer may have a credit against the ESSALUD contribution equivalent to 25% of the applicable contribution. Of the 9% ESSALUD contribution, only 6.75% shall be allocated to such entity, and the remaining 2.25% shall be remitted to the EPS. In no case may this credit exceed the following amounts:

- (i) The amount allocated by the employer to finance health insurance in the corresponding month
- (ii) 10% of the tax unit multiplied by the number of employees who received EPS coverage

To use the credit, the employer must follow the legal procedure in selecting the EPS.

The plan coverage offered by the employer through EPS will provide the same benefits to all covered employees and their dependents, regardless of their remuneration. The coverage must not be less than the minimum care plan offered by ESSALUD. The healthcare plans may include co-payments, to be borne by the insured, which shall be paid upon receipt of the assistance; unless with the express consent of the employee, co-payments may not exceed 2% of the monthly remuneration for each ambulatory healthcare appointment and 10% for each hospitalization. Furthermore, such coverage should include care for being in accidents and for having occupational diseases, as appropriate, and should not exclude care for having pre-existing ailments.

Retirement contribution

Employees may choose between the public or private pension systems. The updates and provisions regarding this matter are found in the initial part of this section.

Income tax

The employer must withhold and pay to the Tax Authority monthly income tax generated by employees.

A domiciled employee's income is taxed in Peru on a worldwide income basis. For its determination, a first deduction of seven tax units (equivalent to PEN 38,500 in 2026) is made from the employee's income. Nevertheless, an additional amount (up to three UIT (16,500 PEN)) may be deducted for resident employees, based on the following concepts: lease payments; receipt for fees of doctors or dentists; payments made for professional services; contributions to social security made on behalf of domestic workers; and the amounts paid for hotel accommodation and restaurant consumption.

After all possible deductions have been made, the following annual progressive rate is applied to the remainder of the employee's income:

at 8% for the first 5 tax units of net income (PEN 27,500); at 14% of net income for amounts higher than 5 tax units to 20 tax units (PEN 110,000); at 17% of net income for amounts higher than 20 tax units to 35 tax units (PEN 192,5025); at 20% of net income for amounts higher than 35 tax units to 45 tax units (PEN 247,500); and capped at 30% of net income in excess of 45 tax units.

Due to the condition of non-domiciled taxpayers in Peru, foreign employees are taxed on Peruvian-sourced income only, according to the non-domiciled income tax criteria. The income tax rate for non-domiciled individuals is a flat 30% rate.

A non-domiciled individual will be deemed a domiciled individual once they have resided in Peru for at least 183 days within a 12-month period. The change of status (non-domiciled to domicile) will be effective as of the next fiscal year (1 January) following the year in which they have stayed in Peru for the required period.

Termination of the employment relationship

Legal causes of termination

Peruvian regulations provide the following options for terminating employment relationships:

- Death of the employee or of the employer if they are a natural person
- Resignation of the employee
- Termination of the work or service, fulfillment of the resolutive condition, or expiration of fixed-term employment agreements
- Agreement between the employee and employer
- Employee's permanent and absolute disability

- Retirement
- Dismissal under circumstances provided by law
- Termination by objective cause

Dismissal

Employees who work four or more hours daily are protected against unfair dismissal.

The reasons that justify dismissal are explicitly stated in the Law on Labor Productivity and Competitiveness, approved by Supreme Decree No. 003-97-TR, which has classified the dismissal cases related to the ability of the employee and their conduct.

Termination by objective causes

Termination by objective causes is also known as "collective dismissal" and is applicable in the following cases:

- a) Act of God or force majeure
- b) Economic, technological, structural or analogous reasons
- c) Dissolution and liquidation of the company and bankruptcy
- d) Patrimonial restructuring under the corresponding law

To proceed with this type of termination, the procedure established by law must be followed, which involves a notice to or the approval of the Labor Authority.

In cases of economic, technological, structural or similar motives, collective termination must involve at least 10% of the total number of employees of the entity.

Termination without cause: severance pay

If the termination of an employee is unfair (i.e., it is not based on a legal cause or is successfully challenged by the employee in court), the employee is entitled to a severance pay consisting of 1.5 times their monthly salary for each year of service, plus fractions up to a maximum of 12 monthly salaries in the case of an indefinite-term relationship.

When dealing with fixed-term employment contracts, the severance pay consists of 1.5 times the monthly salary for each month until the completion of the contract, with a maximum of 12 monthly salaries.

The mandatory severance payment is not considered taxable for income tax purposes.

The employer must pay the corresponding severance pay within 48 hours of the employee's termination.

Due to decisions of the Peruvian Constitutional Court, employees who are dismissed without any cause may refuse to collect the severance payment and request to be reinstated, except in the case of management or trust personnel hired since the beginning of their employment to render management or trust services.

Foreign employees in Peru

When hiring foreign personnel, it is necessary to execute a written employment contract according to certain formalities and limitations (i.e., its term shall not exceed three years, which could be extended for similar periods).

The Labor Authority has created a virtual system of registry of foreign employment agreements. Therefore, these contracts will be considered automatically approved once they have been so registered.

The following documents must be submitted to the Ministry of Labor, which approves these contracts: (i) the labor contract; and (ii) an affidavit in which the company states that all the legal requirements are fulfilled, and that the foreign employee has the training or work experience required to occupy the position offered.

It is no longer necessary to submit to the Ministry of Labor documents such as the certificates of previous employment or professional titles, which generally must be translated and legalized or apostilled. However, it is advisable to have a copy of these documents in case of future inspection.

Foreign employees should not exceed 20% of the total workforce, and their combined salaries should not exceed 30% of the total company payroll.

The applicable law provides for exceptions to those restrictions, such as high-level executives of a new company, high-level executives going through corporate restructuring, qualified professionals, or technicians. Those restrictions do not apply to (i) citizens whose spouse, ancestors, descendants and siblings are Peruvian; or (ii) citizens whose countries of origin have entered an international dual nationality or a labor reciprocity treaty, among others, with Peru.

Foreign employees may only begin their services once the Ministry of Labor has automatically approved the contract, and when the adequate migratory status (resident visa) has been obtained. Foreign employees may not be included in the payroll until they fulfill both requirements.

Special rules apply to Spanish citizens and citizens from countries of the Andean Community and MERCOSUR.

Hiring through labor intermediation companies

The general rule is that personnel must be hired directly by the employer. However, third-party companies may provide personnel to their clients to exclusively render the following services:

- (i) **Temporary services** — occasional services or temporary replacement of personnel (The number of seconded workers cannot exceed 20% of the client company's total workforce.)
- (ii) **Supplementary services** — services that are not part of the client's main activity and whose absence does not affect the activity of the company, such as courier, surveillance, security, reparations and cleaning
- (iii) **Highly specialized services** — complex and specialized services that are not part of the client's main activity, such as specialized sanitation and maintenance

Labor intermediation companies are exclusively dedicated to providing this type of services and must be registered in the National Registry of Companies and Entities that Perform Labor Intermediation Activities (RENEEIL).

These companies must provide a bond letter to the client company to guarantee compliance with their assigned employees' labor and social security obligations. If the bond letter is insufficient for the payment of labor rights owed to the assigned employees, the labor intermediation company and its client shall be jointly responsible for the payment of such debts for the time of the assignment.

Outsourcing

According to Peruvian regulations, "outsourcing" is defined as the business organization by which a company entrusts or delegates the development of one or more parts of its main activity to one or more companies (outsourcing companies) that procure works or services

related to their main activity. However, according to in force regulations, it is not possible to outsource activities that are part of the core business. Although the latter is currently under judicial review and temporarily suspended pursuant to a ruling issued by the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI).

The regulation is applied to outsourcing relationships with continuous displacement of personnel to the main companies' facilities, but not to outsourcing events without displacement or with eventual or sporadic displacement.

Outsourcing will be lawful when, besides complying with the definition, the outsourcing companies do the following:

- a) Bear the services provided at their own account and risk.
- b) Have their own financial, technical or material resources.
- c) Become responsible for the result of their activities.
- d) Place their employees under their exclusive subordination (i.e., the employees shall receive instructions and sanctions from, and be supervised only by, the outsourcing company).

The requirements mentioned above shall be jointly complied with, because noncompliance with of any of these will invalidate the outsourcing activity.

The following are additional characteristic elements of outsourcing activities:

- a) The outsourcing company must have more than one client.
- b) It shall have its own equipment.
- c) Capital investment

- d) The compensation to be paid to the outsourcing company will be calculated based on the services rendered by the company.

If the outsourcing relationship does not meet the requirements, or if after a reasonable analysis of the characteristic elements the outsourcing company is deemed to lack autonomy, the outsourcing activity will be deemed distorted. In that event, the outsourced personnel of the outsourcing company will be deemed personnel of the main company.

In addition, it is worth considering that pursuant to outsourcing regulations, the main company is jointly liable for the payment of the outsourced employees' remunerations, labor benefits and social security contributions accrued during the term of outsourcing and for up to one year after the end of the displacement, but only with respect to those that have been established only by law. Rights and benefits because of collective bargaining and labor agreements, or those unilaterally set forth by the employer, are excluded.

Outsourcing companies must be registered with the Labor Authority. However, this obligation is fulfilled by declaring the outsourcing of the employees on its electronic payroll.

Health and safety at work

The obligations regarding occupational health and safety for all economic activities have been established in the Occupational Health and Safety Law, Law No. 29783, and its regulations, approved by Supreme Decree No. 005 -2012-TR. In addition, there is a special regulation for various economic activities, such as those related to mining, hydrocarbons, electricity and construction.

Legislation on occupational safety and health requires that every employer implement a system of occupational safety and health management, which will be composed of a series of instruments and documents that are mandatory. Examples of these are as follows:

- a) Occupational health and safety policy
- b) Internal regulations for occupational health and safety
- c) Hazard identification matrix and risk assessment
- d) Risk map for each work environment
- e) Annual occupational health and safety program
- f) Occupational health and safety committee, or an occupational health and safety supervisor for companies with less than 20 workers
- g) Face-to-face training in occupational safety and health (no less than four sessions per year)
- h) Medical surveillance
- i) Periodic audits



Relations
with the
State



Relations with the State

Public procurement

Procurements carried out by State entities (including state-owned companies) for the acquisition of goods, services, and works, where the price is paid with public funds, are governed by Law No. 32069, the General Public Procurement Law (hereinafter, the “LGCP”), and its Regulations, approved by Supreme Decree No. 009-2025-EF, which entered into force on April 23rd 2025.

These Regulations were amended by Supreme Decree No. 001-2026-EF dated January 8, 2026. Such amendments will enter into force once a new directive on Standard Bidding Documents, to be issued by the Ministry of Economy, is approved.

The following are the LGCP's and its most important regulation changes:

- Competitive procedures include public bidding for goods and work and public bidding for services, while direct contracting is considered a non-competitive procedure.
- Contractors and works consultants may now evidence experience derived from a corporate reorganization, in accordance with the provisions to be issued by the OECE.
- In the contractual execution, a risk management clause has been incorporated as well as the possibility for the entity to assign its contractual position without the contractor's approval. Delays in key decisions must be reported to the competent authorities, and unjustified non-payment is severely sanctioned with possible legal action against the entity.

- The contract can be terminated on the grounds of non-imputable supervening events, false documentation and early termination as stipulated in the contract.
- Conciliation is encouraged as a prerequisite to arbitration, especially in minor contracts, and it is established that all disputes related to the contract are arbitrable.
- The parties must submit disputes to the dispute prevention and resolution board (DRB) within 20 business days.
- The contractor requesting precautionary measures must offer a surety bond as counter-guarantee for contracts up to 200 tax units (UIT). In all other cases, the counter-guarantee is a financial, property or bank, unconditional, joint and several, irrevocable and automatically executed bond.

In addition, the Specialized Agency for Efficient Public Contracting (OECE), formerly known as the Supervisory Agency for State Contracting (OSCE), a specialized technical agency attached to the Ministry of Economy and Finance, with technical, functional, administrative, economic and financial autonomy, was created.

PPP agreements, such as public services and infrastructure concessions, or public asset projects, are not regulated by the LGCP but by Law No. 32441 and its regulations approved by Supreme Decree 316-2025-EF.

Participation of foreign companies

Foreign companies may participate in public procurement on equal footing with Peruvian companies. The participation of foreign companies is not subject to special requirements. It is not necessary for foreign companies to have offices or to incorporate a company in

the country to be able to participate in public bids and procurement proceedings.

To participate in a public bidding process, both foreign and domestic companies must register with the National Supplier Registry ("Registry") before the OECE, which is the state entity responsible for promoting and supervising the contracts carried out by government entities and ensuring compliance with the LGCP.

To apply for registration at the Registry, the company must have a representative who is registered with the Peruvian Registry. They must also have sufficient capacity to tender and enter into agreements.

The process for registration as a provider of goods and services has an automatic approval but may be subject to observations by the Registry. Meanwhile, the process for registration as a provider of works execution and consultancy is subject to a prior evaluation of 30 business days. In the latter case, it is necessary to prove experience and financial capacity before the Registry.

The validity of the registration in the Registry is unspecified. The company is required to periodically update the information declared in the Registry; otherwise, the OECE may order the temporary withdrawal of the registration.

Procedures included in the LGCP and its Regulation

Public procurement is carried out by competitive tendering procedures.

The most important ones are described below.

Public tender

This selection process facilitates the hiring of external contractors to accomplish the execution of works or to acquire goods for contracts

amounting to approximately over USD 1.42 million (works) and USD 138,373 (goods). Bids are submitted electronically through SEACE, except where the bases state that they will be presented at a public event. The technical offer must contain the documentation provided for in the bases. The economic offer is registered directly in the relevant form in SEACE. If a public act is arranged, the offers are presented in one sealed envelope.

There is a period of at least 22 business days between the call and the submission of offers.

The bidder must have the necessary expertise about the bid's subject matter (execution of similar works/manufacturing or commercialization of similar goods).

Public bid

This is a selection process to facilitate the hiring of services or construction consulting for contracts amounting to approximately over USD 138,373. The call for bids is public and is made through SEACE.

Bids are submitted electronically through SEACE, except where the bases state that they will be presented at a public event. The technical offer must contain the documentation provided for in the bases. The economic offer is registered directly in the respective form in SEACE. If a public act is arranged, the offers are presented in one sealed envelope.

The bidder must prove experience in the object of the call (provision of services or consultancy in works).

Electronic reverse auction

This is a selection procedure to acquire goods or services and construction consulting, previously standardized by the competent authority (Peru's Purchasing Center or PERUCOMPRAS), where the competition is based solely on the lowest price offered by bidders.

Direct hiring (waivers)

This is a procurement procedure used by the government to hire the provider directly without conducting any competitive procedures. It only applies to exceptional situations set forth by law, such as compelling urgency, shortages, sole provider situations, secret or military secret hiring, and duly justified personal services.

Stages in the selection procedure

- The procurement specifications may be freely accessed through SEACE.
- Providers intending to participate in the selection procedure must register as "participants" by electronic means, free of charge.
- After registration, providers will be able to submit questions and raise objections regarding the procedure specifications.
- The entity that called for the selection procedure, through the selection committee, then answers the questions and objections raised.
- In public bids and tenders, the OECE may be required to issue a decision on the objections to the specifications, in which case the OECE will draft the final rules applicable to the process (final specifications).
- Providers will submit their bids to the entity that called for the selection procedure.
- Providers may submit their bids individually or in consortium with other companies or persons, whether domestic or foreign. To act in consortium, it is necessary to submit an affidavit bearing the

signatures of all representatives certified before a notary public (promise to form a consortium).

- The selection committee will verify if the bid meets the eligibility criteria and assign a rating to the bidders based on the best price offered, the level of improvement offered, and/or the offer of staff with better qualifications (in services).
- The successful bidder who will execute the agreement with the entity is the one that obtains the highest rating and meets the mandatory requirements.
- Bidders may not withdraw their bids once submitted. The successful bidder may not refuse to execute the agreement; otherwise, they will be fined between 5% and 15% of the bid amount.

Dispute resolution during the selection procedure

- The result of the selection procedure and/or bid disqualification may be challenged through an appeal.
- The appeal may be filed within eight business days (in public bids and tenders) or five business days (in simplified awards).
- In the agreement, the parties may include conciliation as a dispute resolution mechanism, prior to the commencement of arbitration. In the case of minor contracts (for amounts less than or equal to eight UIT), the parties must agree to conciliation as a dispute resolution mechanism.
- All disputes arising between the parties regarding the validity, nullity, interpretation, execution, termination or effectiveness of the contract are considered arbitrable.

- If the estimated or referential value of the selection procedure is equal to or less than USD 78,459, the appeal will be resolved by the entity that convened the selection procedure. If this figure is exceeded, the appeal will be resolved by the State Procurement Court of the OECE.
- For the appeal to be accepted, a guarantee must be presented in favor of the OECE or the public entity that convened the selection procedure, for a sum equivalent to 3% of the estimated or reference value, which in no case may exceed approximately USD 470,756.06. The guarantee can be a letter of guarantee or a deposit in the bank account of the OECE or the public entity.
- The decision of the court or the public entity of the appeal exhausts the administrative procedure, and no administrative appeal can be filed.

Dispute resolution related to contract performance

Any dispute between the parties regarding contract performance, construction and/or termination shall be mandatorily resolved, pursuant to the LGCP, through conciliation³ and/or institutional arbitration, as agreed by the parties.

For contracts for the execution of works amounting to approximately more than USD 2.85 million, the parties must incorporate a DRB for the resolution of controversy. The incorporation of the board in contracts for lower amounts is optional. The decisions of the board will be binding on the parties.

Guarantees

- Offering a guarantee to be a bidder is not necessary.

³ In the Peruvian legal system, conciliation is a mandatory step before filing for arbitration.

- For the contract to become binding, the successful bidder must give the institution a bond to guarantee faithful performance (a performance bond or surety bond), in an amount equal to 10% of the contract's original value. The bond will be valid until the expiration of the contract, and its purpose is to compensate the government entity for any breach of contract by the contractor.
- If the entity gives the contractor any money as an "advance," the contractor must give a guarantee in the same amount. This advance will be paid back monthly, and the guarantee will be valid until full payment has been made.
- The guarantees accepted by the entities will be unconditional, joint and several, irrevocable and automatic in Peru, upon demand by the relevant entity and under liability by the issuing company, which may be a financial institution overseen by the Superintendency of Banking and Insurance of Peru, or a foreign bank included in the Central Reserve Bank of Peru's list.

*In procurement systems other than those under the LGCP, entities carry out selection procedures with other rules.



Sectors



Sectors

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Mining

Mining

General framework

The development of mining activities in Peru is subject to the provisions of the Refunded Text of the General Mining Law ("**Mining Law**"), approved by Supreme Decree No. 014-92-EM and its regulations.

In accordance with the Mining Law, mining activities (excluding exploration, prospecting, commercialization and storage outside the area of mining operations) must be solely carried out under the concession system. The concession grants its holder the exclusive and excluding right to carry out a specific mining activity within a specific geographical area (between 100 and 1,000 hectares).

The Mining Law identifies four types of concessions: (i) mining concessions (for exploration and exploitation) granted by the Institute of Geology, Mining and Metallurgy Institute of the Ministry of Energy

and Mines (INGEMMET)⁴; (ii) processing concessions (for ore-processing tasks such as metallurgy, refinery and mechanical preparation) granted by the General Mining Bureau (DGM) of MINEM; (iii) general service concessions (for executing ancillary services) granted by the DGM; and (iv) mining transportation concessions (for transporting ore through non-conventional systems) also granted by the DGM.

It is important to note that Peru has a mining cadaster system, based on satellite "World Geodetic System 1984" (WGS84) geographic coordinates information, which provides information in connection with mining rights (current, pending or extinct) and areas available for new applications for mining concessions and geological information, among others.

Concessions must be recorded in the Public Registry of Mining Rights of the Registry of Real State, which forms part of the National Public Registry System. Any act, transfer, burden, encumbrance or agreement related to the concession must be recorded in the entry so that the act can be enforced against the state and third parties.

The Mining Law establishes that the mining concession constitutes a different, separate and independent right from the surface land where it is located. In other words, the mining concession title does not grant rights to the surface land, which means that the concession holder must obtain the right to use the corresponding surface land from the landowner to start mining activities.

The holder of a mining concession is not automatically entitled to carry out mining activities within the area of its concession. It must first obtain a Start-up Authorization for Exploration or Exploitation Activities (*Autorización de Inicio de Actividades de Exploración o Explotación*),

⁴ <https://www.gob.pe/ingemmet>

granted by the DGM, for which it is necessary to have the prior approval of the relevant environmental certification and a Certificate of Non-Existence of Archaeological Remains (*Certificado de Inexistencia de Restos Arqueológicos*) and obtain authorization for the use of surface lands, among others.

Mining concessions are granted for an indefinite term, provided their holders comply with certain obligations, such as the payment of an annual good standing fee (USD 3 per hectare, applicable to the general regime), applicable to both mining concessions and mining claims. Failure to pay this fee in a timely manner for two consecutive years will lead to the definitive cancellation of the mining concession or of the mining claim.

Likewise, holders of mining concessions are required to put their mining concessions into production. Consequently, as from 2018, holders under the general regime must meet an annual production target established by the Mining Law, as follows:

- a) 1 Peruvian tax unit (equivalent to PEN 5,500 for 2026) per year and per hectare applicable to metallic mining concessions.
- b) 10% of 1 Peruvian tax unit per year and per hectare applicable to non-metallic mining concessions.

If such production targets are not met by the 10th year of being granted concession, concessionaires will be required to pay the following mining penalties to keep their concessions in force:

- a) If the minimum annual production target is not met until the end of the **10th year** counted from the year following the granting of its mining concession title, holders must pay a mining penalty equal to 2% of the corresponding annual production target.
- b) If the annual production target is not met until the end of the **15th year** counted as from the year following the granting of its mining

concession title, holders must pay a mining penalty equal to 5% of the corresponding annual production target.

- c) If the annual production target is not met until the end of the **20th year** counted as from the year following the granting of its mining concession title, holders must pay a mining penalty equal to 10% of the corresponding annual production target.

Holders of the mining concessions may avoid paying the mining penalties by demonstrating that during the previous year, they have invested no less than 10 times the corresponding mining penalty for each mining concession.

If the failure to reach the annual minimum target occurs for 30 years, the mining concession shall be cancelled without exception, as provided in detail below:

- a) **Mining concessions granted until 31 December 2008** will be cancelled if the annual production target is not met until the end of the 30th year counted from 1 January 2009.
- b) **Mining concessions granted from 1 January 2009** will be cancelled if the annual production target is not met until the end of the 30th year counted as from the year following the granting of its mining concession title.



Electricity and Hydrocarbons

Electricity and hydrocarbons

Electricity

General regime

The approval of the Electricity Concessions Law ("**Decree Law No. 25844**") in November 1992 put an end to the restrictions on private investment in the electricity sector.

Electrical activities are divided into generation, transmission and distribution. For generation activities with water resources and renewable energy resources (with an installed capacity of over 500 kilowatts), transmission (when these require affecting state property or easements) and distribution (above 500 kilowatts), concessions are required. In the case of thermal generation (with an installed capacity that is greater than 500 kilowatts), authorization is required. The Ministry of Energy and Mines and regional governments, when applicable, grant concessions and authorizations.

Moreover, the 2010-2040 Peruvian National Energy Policy, Legislative Decree No. 1002, No. 1041 and No. 1058, published between May

and June 2008, promote the use of renewable energy sources (biomass, wind, solar, geothermal, tidal and hydraulic — in the latter case, when the installed capacity does not exceed 20 megawatts). Thus, electricity generated from these resources will have priority in the daily dispatch, for which it shall be assigned a variable production cost equal to zero. Similarly, the current legal framework establishes an interconnection priority for power plants based on these technologies, if there is sufficient capacity in the transmission and distributions systems. Likewise, and according to the abovementioned regulation and to foster investment in these technologies, from 2009 to date, four auctions of renewable energy resources have been called by OSINERGMIN, and several solar, wind, hydroelectric and biomass projects have been granted power purchase agreements accordingly. Likewise, the Peruvian government called for an auction for areas not connected to the grid. All these projects have a payment mechanism designed to guarantee revenues, through the collection of a tariff charge paid by the users.

In 2025, a significant legal reform was approved that allows the separate commercialization of firm capacity and firm energy. Previously, this possibility was not allowed, as power purchase agreements had to be agreed exclusively on firm capacity together with its associated energy. The measure aims to boost the development of solar and wind projects, given that the legal framework recognizes them as having reduced or non-existent firm capacity.

Likewise, the amendment provides that distribution companies may procure energy in hourly blocks, capacity blocks, or a combination of both.

A national grid links facilities throughout the country. However, there are still some isolated systems not connected to the grid. There is a Committee of Economic Operation System (COES) (www.coes.org.pe), consisting, in accordance with the provisions of

Law No. 28832 — the Law to Ensure the Efficient Development of Electric Power Generation, of four subcommittees: one of generators, one of distributors, one of transmitters and one of free clients. By means of Supreme Decree No. 027-2008-EM, the COES regulation was approved.

Hence, the purpose of the COES is to coordinate its operation at the lowest cost, ensuring the security of supply and the best use of energy resources.

The OSINERGMIN⁵ is the independent regulatory agency responsible for setting tariffs and overseeing the quality of electric power service. Additionally, it is responsible for overseeing compliance with the obligations of the concessionaires, as well as the duties assigned by the COES.

The Electricity Concessions Law distinguishes between the users of the public electricity service (or regulated clients) and free clients. Regulated clients are only entitled to acquire their power supply from the distribution concessioner of the area (public electricity service). Meanwhile, free clients can directly negotiate the conditions of their supply with any generation or distribution company.

In this sense, users whose maximum annual demand in each supply point is equal to or less than 200 kilowatts have the status of "regulated clients." On the other hand, users whose maximum annual demand at each supply point is at least 2,500 kilowatts have the status of "free clients." Finally, users whose maximum annual demand in each supply point is at least 200 kilowatts and up to 2,500 kilowatts are entitled to choose between being regulated clients or free clients.

Likewise, regulated clients whose maximum monthly demand exceeds 2,500 kilowatts must maintain such conditions for one year from the

⁵ www.osinergmin.gob.pe
Echecopar

month in which the limit was exceeded, unless otherwise agreed between the parties.

In the meantime, to exercise its right to choose the free client regime, the regulated client must notify its current supplier in writing, with a copy to its prospective supplier where applicable, of its willingness to change its status, with a notice period of not less than one year from the date on which the change of condition takes effect.

Ancillary services are those required to ensure the reliable transmission and supply of electricity from generation plants to end-use demand. These services in Peru have been provided exclusively by generation companies. However, with the aim of opening the market to new participants and emerging technologies—such as energy storage—a recent reform (still pending regulation) establishes that ancillary services may also be provided by generators, transmission and distribution companies, free users, and other agents.

The Peruvian government, through the OSINERGMIN, regulates the distribution tariffs for the public electricity service. OSINERGMIN sets the regulated tariff, which is also called "bar tariff." The tariffs and compensation charged by holders of transmission and distribution facilities, the energy sales from generators to distribution concessionaires when they are intended for the regulated clients (except in the case where a tender has been conducted to contract this service), and sales to distributors and users of the public electricity service are subject to bar tariffs.

To harmonize Convention 169 of the International Labour Organization, in 2011, the Peruvian government enacted the Law on the Right to Prior Consultation with Indigenous or native peoples. Consequently, the Peruvian government must apply this law, among others, in any project that may directly affect the collective rights to physical existence, cultural identity, quality of life or development of Indigenous or native peoples.

Finally, and in connection with tax matters, investments in electricity are subject to the following benefits, regardless of the general tax regime applicable:

- Accelerated depreciation regime: This brings tax benefits only to investments in electricity generation using renewable resources. In that sense, the company will get access to a special accelerated depreciation regime when determining income tax. This depreciation will apply to machines, equipment and civil works that are necessary to install and operate the electric plant. For this purpose, the global annual depreciation rate will not be higher than 20%. That rate may be changed by the investor each year and must be communicated to the tax administration. This benefit will be in force until 2030.
- VAT anticipated recovery regime: This regime comes with tax benefits that give back to the company the VAT paid on acquisitions needed for the development of the project if the corresponding requirements are met. The project must have been in a pre-operational stage for more than two years. Additionally, the investor must have carried out a project that generates corporate income tax, and the investment commitment must not be less than USD 5 million.

Generation with geothermal resources has its own tax incentive law applicable to holders of geothermal resource concessions, which approved the following benefits:

- Income tax stability with respect to the common income tax regime in force at the time of the execution of the contract.
- Ring fence for exploration or exploitation activities with geothermal resources: Holders that carry out exploration or exploitation activities of geothermal resources, in more than one concession contract and that also develop other activities related to geothermal resources and related energy activities, will

determine the results of each year independently for each contract and for each activity for the purposes of calculating income tax.

- If carryforward losses are generated, these may be offset with the profit generated by other concession contracts or related activities, at the option of the concessionaire. Investments that have not reached the commercial exploitation stage will be accumulated to the same type of investments made in another contract in which such stage has been reached for their amortization.
- Amortization of exploration expenses: based on the unit of production or through linear and proportional amortization, for a period of not less than five years.
- Exemption from customs duties: The importation of goods and supplies required by the holders of a geothermal resource authorization for exploration activities is exempt from all taxes.
- Accounting in foreign currency: The holders of geothermal rights may keep their accounting in foreign currency.

Hydrocarbons

Legal framework

The Hydrocarbons Organic Law regulates the exploration, exploitation, processing or refining, storage, transportation, marketing and distribution of hydrocarbons. The government promotes the development of hydrocarbon activities based on free competition and open access.

The Ministry of Energy and Mines⁶ oversees the hydrocarbons policies. Hydrocarbons "in situ" are government property. PERUPETRO is the government entity that negotiates, executes and monitors exploration and production (E&P) agreements and promotes investments in the Peruvian E&P industry.

E&P activities could be carried out through license or service agreements. In the former, the government transfers the extracted hydrocarbons to the contractor in exchange for royalties. In the latter, it pays a fee for the service.

Hydrocarbon agreements usually comprise two stages: exploration, which could last up to seven years as from the agreement's effective date (an extension up to 10 years is possible, conditioned on the fulfillment of the current obligations and an additional investment commitment); and production or exploitation, which in the case of oil could last up to 30 years, counted from the agreement's effective date, and for natural gas up to 40 years. The exploitation and economic recovery of hydrocarbon reserves are conducted according to technical and economic standards generally accepted in the international hydrocarbons industry, subject to compliance with health, safety and environmental regulations.

Contractors enjoy customs benefits for the importation of inputs and supplies needed for the fulfillment of the agreements. For example, a contractor can import, exempted from any tax, its supplies that are exclusively required for exploration activities.

The holders of license agreements have free availability of the hydrocarbons allocated to them under the agreement and can export them tax-free.

⁶ www.minem.gob.pe

The Peruvian government guarantees the contractor that the exchange and tax regulations in effect at the time of the celebration of the license or service agreement will remain unchanged during the term of each agreement.

Contractors carrying out hydrocarbon exploration or exploitation activities in more than one block and carrying out related activities will determine the annual results separately for each block and activity to calculate the income tax.

E&P expenses, as well as any investment made in a block that has not yet reached the production stage, must be accumulated in a separate account, the amount of which must be amortized per unit of production or by linear amortization, deducting them in equal parts over a period of at least five fiscal years.

Income tax for entities based in Peru is currently 29.5%. An additional 2% surcharge will be applied for hydrocarbon agreements. However, depending on the activities performed and the type of product, the investor may be exempted from such surcharge.

There is a special benefit for investments in hydrocarbons, which consists of obtaining a refund of the VAT and the municipal promotion tax paid by the investor in the acquisition of goods or services directly related to the activities of the contract. This benefit was extended until 31 December 2027.

Contractors that carry out activities in more than one contract or block, or that carry out related activities or other activities, must keep independent financial statements for each agreement and activity, in addition to the obligation to submit consolidated financial statements.

The transportation, distribution and commercialization of hydrocarbons are performed under free market rules, subject to the rules approved by the Ministry of Energy and Mines. Transportation by pipelines and natural gas distribution by grid are considered public

utilities; hence, the granting of a concession is required to provide such services.

Technical and safety matters related to hydrocarbons are under the supervision of the OSINERGMIN, and environmental matters are under the authority of the Environmental Supervision Agency (OEFA). Hydrocarbon companies must pay a maximum amount of 1% of their annual invoicing, minus VAT, as contribution to those entities.

Law No. 28109 promotes investment in the exploitation of marginal resources and reserves of hydrocarbons by reducing royalties in license agreements, or increasing the compensation agreed upon in service agreements, conditioned to an investment commitment.

The exploitation of natural gas reserves of Camisea (Blocks 56 and 88) is the most important project in the hydrocarbons sector in Peru. This is one of the most important natural gas fields in Latin America.

To promote the development of the natural gas industry, the Peruvian government passed several laws and regulations whose purposes are to provide investors with the necessary tools to enable the development of this industry and to develop a local natural gas market. Among these rules, the following are noteworthy:

- The Law on the Promotion of Development of the Natural Gas Industry, which establishes the conditions to promote investment in natural gas production and the development of natural gas transmission and distribution networks, and for the creation of a market for natural gas.
- The Law on the Promotion of Investment in Natural Gas Processing Plants, which aims to grant legal and tax benefits as incentives for investment in natural gas processing plants, such as those to produce LNG.

- The Law on the Promotion of Investment in Petrochemical Plants, which provides legal and tax benefits that encourage investment in the construction and operation of petrochemical plants located in decentralized areas designated by the Ministry of Energy and Mines (currently, there are three: in San Juan de Marcona and Paracas in the region of Ica, and Lomas de Ilo in the region of Moquegua).
- The law that promotes the development of the petrochemical industry based on ethane and the energy node in southern Peru, which declares of public necessity and national interest the promotion and development of the petrochemical industry based on ethane contained in natural gas, prioritizing that which would be installed in the south of Peru, and in turn, promotes the decentralized development of pipeline-based transportation systems for hydrocarbons.
- The law that strengthens energy security and promotes the development of the petrochemical hub in the south of Peru, which declares of national interest the implementation of measures for strengthening the country's energy security through the diversification of energy sources, the reduction of foreign dependency, and the reliability of the energy supply chain.
- The regulations for the natural gas secondary market (SPOT), which enables the transfer of gas production and of firm transportation capacity among gas distributors and independent consumers.

In addition, provision has been made to promote the massive consumption of natural gas to industrial and residential consumers and in public transportation. In the latter case, the use of natural gas for vehicular purposes has been declared to be of national interest.

Regulations have also been adopted to promote the development of the biofuels industry. These rules establish the conditions for the production and marketing of ethanol and biodiesel.

The Peruvian government has established the percentages of biofuels that must be blended with gasoline and diesel, which can only be done in duly authorized storage facilities.

The Ministry of Energy and Mines has approved the 2010-2040 Peruvian National Energy Policy, which includes, among others, the following guidelines:

- a) A diversified energy matrix, emphasizing renewable sources and energy efficiency, must be established.
- b) A competitive energy supply must be set up.
- c) Self-sufficiency in energy production must be achieved.
- d) An energy sector with minimal environmental impact and low carbon emissions within a framework of sustainable development must be developed.
- e) The natural gas industry and its use in home activities, transportation, commerce and industry as well as efficient electric power generation must be advanced.

The Vice Ministry of Hydrocarbons was established through Law No. 30705. This law is responsible for, among others, formulating, coordinating, executing and supervising policies for the sustainable development of hydrocarbons, in accordance with the corresponding national policy.

Meanwhile, in the framework of Convention 169 of the International Labour Organization, the law on the right to prior consultation with Indigenous or native peoples was enacted in 2011, which, among others, must be applied by the Peruvian government in any

hydrocarbon-related project that may directly affect the collective rights to physical existence, cultural identity, quality of life or development of Indigenous or native peoples. This law is regulated by Supreme Decree No. 001-2012-MC.

Likewise, for all E&P projects, it will be necessary to carry out citizen participation processes, whose purpose is to collect the queries and needs of local people so the project can include them to achieve a positive impact. Such processes shall be performed in two stages: (i) before the negotiation and drafting and after the signing of the agreement; and (ii) before the submission of the environmental management instrument and during its assessment.



Infrastructure

Infrastructure

Peru has a PPP Law and a regulatory framework that promotes investment in transportation infrastructure through the granting of concessions to private operators. Through the concession system, the operation of railroads, airports and highways can be granted for up to 60 years.

To encourage private investment participation in public port services, Supreme Decree No. 009-2025-MTC, which amends the Regulation of the National Port System Law, entered into force on July 5, 2025. Unlike the previous regulation, this new rule expressly provides that contracts entered into with the private sector for the management of port infrastructure have a maximum concession term of 60 years.

Under the PPs regime, the ownership of the infrastructure remains with the state and is not transferred to private operators, who receive the right to its economic exploitation (e.g., the collection of tolls or, in the case of co-financed projects, the payments committed by the state to finance part of the investments). In the case of self-financed projects, in consideration of this exploitation, the contracts provide for

the obligation of the concessionaire to pay a remuneration in favor of the State.

Concession contracts must include the principles governing tariffs and at the end of the concession, the operator must return the infrastructure to the state with all the improvements made.

Access to transportation infrastructure, which is considered an essential facility, is mandatory according to current regulations. An exception to this rule is port infrastructures that qualify as new, which may be granted in concession under a regime of exclusivity in the provision of services.

Through Supreme Decree No. 316-2025-EF, the new Regulations to the PPP Law were issued, introducing provisions that allow the proponent of a Private Initiative to modify its corporate or consortium structure prior to the execution of the contract, provided that its technical and financial capacity is maintained or enhanced.

The Regulations also expressly recognize the possibility of procuring, through PPP arrangements, the management of toll and tariff collection systems, as well as citizen service improvement centers.

Some examples of transport infrastructure concessions are the Jorge Chávez International Airport; the first and second group of Regional Airports; Line 2 of the Lima Subway; the Matarani Port Terminal; the Road Network No. 5 — Ancón, Huacho, Pativilca; the Cusco Machu Picchu Railway; the Huancayo — Huancavelica Central Railway; the Paita Port Terminal; the Salaverry Lima Expresa Port Terminal; and Rutas de Lima (express roads within the city of Lima).

PROINVERSION acts as the grantor (public entity holding ownership) for the PPP Contracts signed between September 16, 2024, and September 16, 2025, whose total investment cost exceeds PEN 428 million. Likewise, PROINVERSION acts as grantor in the new PPP Contracts to be executed for the development of projects under National Government jurisdiction, as from December 25, 2025. The

MEF retains its role as the governing body of the National System for the Promotion of Private Investment, although the scope of its binding opinions is limited for projects under PROINVERSION's ownership.

On March 14, 2026, through Supreme Decree No. 039-2026-EF the PNI 2026–2031 was published, which includes the list of projects whose execution has been prioritized for that period.

Banking, Insurance and Finance



Banking, insurance and finance

2026 updates: adjustments to the legal framework

Certain amendments have been introduced to banking regulations and other relevant rules that impact the development of financing operations in Peru. Among these, the following stand out: (i) the entry into force of Legislative Decree No. 1400, which approved the Movable Collateral Regime, together with its regulations approved by Supreme Decree No. 243-2019-EF, which initiated the operation of the Movable Collateral Information System (SIGM) and established a new legal framework for movable collateral; and (ii) the approval of Circular No. 022-2025-BCRP, which enacted the new General Regulation of the National Payments System, with the aim of strengthening the regulatory and supervisory powers of the Central Reserve Bank of Peru, promoting interoperability, ensuring fee transparency, and raising security standards for all participants in the ecosystem.

The rules applicable to companies in the financial system and insurance system are found in Law No. 26702, the General Law of the Financial and Insurance Systems and the Organic Law of the Superintendence of Banking and Insurance ("**General Law**"). The General Law establishes the regulatory and supervisory framework to

which companies operating in the financial and insurance systems are subject, as well as those carrying out activities related or complementary to their corporate purpose.

General regime

Foreign investments in companies in the financial and insurance system authorized to operate in Peru, and their subsidiaries, are treated as domestic capital subjects, where appropriate, as regards international agreements on the matter.

The Superintendence of Banking, Insurance and Private Administrators of Pension Funds⁷ (SBS), an autonomous entity created by the Peruvian Constitution, is the authority responsible for authorizing, controlling and supervising the activities of the companies that are part of the financial and the insurance systems (banks, financial companies, insurance companies, private administrators of pension funds (AFP)). Any person operating under the provisions of the General Law requires prior authorization from the SBS. The SBS' purpose is to protect the interests of the public in the financial and insurance systems.

Approval from the SBS is required to be able to carry out activities involving the collection of money from the public. Likewise, companies that want to carry out the activities of insurance companies must first obtain a permit from SBS.

A foreign investor can establish a financial system company or a branch or designate a representative. A bank must be established in the form of a corporation or as a branch of a foreign bank.

Representatives are designated by foreign financial companies to promote business with companies of a similar nature operating in

⁷ www.sbs.gob.pe

Peru to facilitate foreign trade and provide foreign financing and other services. Representatives of financial companies cannot raise funds, place them directly in the country or perform operations or provide services that are specific to their principal's activity.

Foreign investors may establish an insurance company in Peru or designate an intermediary, or an insurance or reinsurance broker. Insurance companies must be organized as a corporation.

Additionally, the SBS may establish the temporary performance of any operation or activity through innovative models, and it may grant exceptions to the regulation applicable to individuals and legal entities that carry out such operations or activities, as well as to other provisions necessary for their development (regulatory sandbox).

Companies in the financial system freely determine the interest rates,⁸ commissions and expenses for their active and passive operations and services, except the rates related to consumer loans, low-cost consumer loans, and loans for small and micro-enterprises.⁹ In addition, interest rates, commissions and expenses for crowdfunding operations, financings through mutual funds, trusts, investment funds whose securities have been placed by a public offer, and public offers of securities, are freely determined. Similarly, companies in the insurance system freely determine the terms and conditions of insurance policies, their fees and commissions.

⁸ For the determination of interest rates, companies in the financial system must observe the limits that, exceptionally, may be set by the Peruvian Central Bank.

⁹ In accordance with Instruction No. 0008-2021-BCRP, maximum rates of conventional compensatory and moratorium interest applicable to the operations of the companies in the financial system in their portfolios of consumer loans, low amount consumer loans (equal to or less than two tax units), and loans for small and micro companies were set.

Finance

Currently, there is no rule in Peru that prohibits or restricts the granting of credit by persons not domiciled in the country. In this sense, both the non-domiciled lender and the borrower have flexibility to agree on the terms and conditions under which credit will be granted.

As for guarantees to ensure compliance with the obligations assumed by the borrower, the parties may agree on the creation of personal and real guarantees, such as sureties, endorsements, mortgages, securities, guarantees on flows, mortgages on infrastructure, etc. It is also possible to provide more complex guarantees, as in the case of trusts. Trusts may be used as an administration mechanism or as a guarantee.

In credit agreements, the parties may agree to submit to foreign laws. They may agree to refer disputes arising between them to a foreign court or to arbitration, whether local or international.

Regarding income tax applicable to financing granted by legal persons not domiciled in Peru, interest payable on foreign loans is subject to a retention rate of 4.99%, if they comply with the requirements specified in the law. In the case of noncompliance with the requirements or if economic ties exist between the parties, interest payments will be subject to a retention rate of 30%.

For the purposes of Peruvian tax law, expenses and commissions, bonuses and any other additional amounts paid to foreign beneficiaries beyond the interest agreed on will be considered interest.

Additionally, interest payments to non-banking, non-financial or non-credit entities shall be subject to VAT at a rate of 18%.



Real
Estate

Real estate

Legal framework

The main legal framework regarding real estate in Peru is the Peruvian Civil Code of 1984. From a regulatory standpoint, there are other laws that should be taken into consideration. For example, Law No. 27157, which establishes the rules for building regularization, building declaration and regime of common and exclusive property (regulating common areas in a same building), remains in force until Legislative Decree No. 1568, which approved the Horizontal Property Regime, comes into effect; Law No. 29090, which regulates the requirements and legal procedures to obtain an urban refitting license, as well as the respective reception of works and conformity of works before the corresponding municipality; and Legislative Decree No. 1595, related to the regularization of property rights, the physical characteristics of urban properties, urban developments, and buildings.

The Peruvian Constitution also regulates some real estate aspects, such as expropriation and restrictions on foreign persons in acquiring real estate. Article 70 of the Peruvian Constitution (complemented by

Legislative Decree No. 1192) states that an expropriation can be done if it is required for reasons of national security or public need, or declared by a law, and that compensation must be paid to the owner. Likewise, according to Article 71 of the Peruvian Constitution, foreigners are treated the same as Peruvians regarding property ownership, although foreigners cannot directly or indirectly acquire or possess title to mines, land, forests, water, fuel or energy sources within 50 kilometers of the border (except in cases of public need declared by a supreme decree).

System of land registration

A system of land registration exists in Peru. SUNARP is the centralized public entity in charge of real estate registration. SUNARP maintains a system of land title registration where ownership can be verified. Likewise, due to the publicity principle, it is presumed that everyone knows public registry content, without admitting proof to the contrary.

All relevant real estate matters related to the land, such as rights of use granted to third parties, guarantees, encumbrances, and liens, and limitations to ownership, are also registered. In relation to lease agreements, a registered lease agreement shall survive and is binding upon the new owner if such agreement was previously registered in the public records.

Nevertheless, by general rule (except for mortgages), real estate rights are not required to be registered to be valid because according to Peruvian legislation, the registry only declares rights and does not create them. However, third parties in good faith are not bound by unregistered interests to real estate property.

SUNARP can issue a Certificate of Land Registry (Certificado Registral Inmobiliario or CRI), which contains ownership, and existing liens, guarantees and limitations to ownership over the property registered in the Public Registry. This information may vary, so it is

advisable to check whether there are any acts pending registration in the corresponding registry entry. In addition, it is advisable to review the titles (acts) that generated the act registered in the registry.

Acquisition process of real property

The first step in an acquisition transaction is conducting due diligence on real estate, which usually includes title ownership and a zoning review, and a review of any burdens and liens on the property.

Once the due diligence is conducted, the purchase and sale agreement must be drafted, which must include all necessary commercial terms for the transaction, including a description of the land, purchase price, deposit (if any), the closing date, and any other special terms. These agreements also typically contain conditions for the benefit of the buyer, as well as representations and warranties by the seller.

As a rule, the title is transferred as soon as the seller is obliged to sell the property (e.g., when the purchase agreement is executed). However, parties can agree on a "reserve of property," which is a provision through which the seller maintains the title until part or the whole price is paid (depending on the specific agreement).

The Peruvian Civil Code requires the seller to compensate the buyer if the latter is deprived of the use and possession of the real estate by virtue of a judicial decision confirming that a third party obtained a right to the real estate before the sale.

Lease agreements

Leases in Peru are regulated by the Peruvian Civil Code. The code contains both mandatory rules (rules of forced compliance) and supplementary rules (applicable only if the parties do not agree otherwise). For example, a mandatory provision is the maximum term of any lease, which is 10 years, and a supplementary provision is, for

example, that the tenant is prohibited from subletting the leased property to third parties, although the parties may disagree.

In this sense, the content and scope of the leases are mostly freely agreed on by the parties. However, parties must respect the mandatory provisions prescribed by law, since provisions of the lease that contravene these rules are invalid.

A lease is only one of the different structures for giving the use of a certain property to a third person. Thus, besides a lease agreement, other arrangements may be used, such as financial leasing, atypical use concessions, or the establishment of rights in rem established by law (e.g., usufruct, surface right, easement, etc.).

A landlord can generally terminate the lease when the tenant breaches the terms of the lease, which usually includes, among others, nonpayment of the agreed rent, allowing the use of the property, and assigning or subletting the property without the consent of the landlord. Similarly, the tenant may also terminate the agreement in case of default by the landlord, such as in cases where the landlord is unable to provide the tenant with uninterrupted peaceful possession of the property, or the leased property was delivered with damages that preclude its use. Moreover, the parties may agree that either or both could have the right to unilaterally terminate the contract without cause and without the duty to indemnify the other party, having only to submit a notice to the other party with some term in advance.

Additionally, termination can occur if the leased property is substantially damaged or destroyed by causes not attributable to either party (e.g., acts of God). If the leased property is damaged or destroyed due to causes attributable to one of the parties, the lease may be terminated, and such party may be liable and responsible for repairing the damage caused to the other party.

A registered lease agreement is binding upon the new owner if such agreement was previously registered in the public registry, and if it is

not registered, if the new owner is committed to honor the lease agreement.

Urban planning

There are zoning regulations for each district in Peru. These rules are driven by, among others, certain environmental, cultural and social aspects, and seek to determine where certain structures may be built. If a new project is not zoned correctly, it is necessary to go through a local governmental process to request the rezoning of the area in accordance with the procedure established in Law No. 31313, the Sustainable Urban Development Law (Ley de Desarrollo Urbano Sostenible), and its Regulations.

The regulation of land zoning rests with the provincial municipalities, i.e., these entities approve the use of land within their jurisdiction.

In the same way, the district municipalities are responsible, within the limits of the zoning approved by the provincial municipalities, for approving building, demolition and operation permits. For example, the construction of new projects requires building permits before commencing construction.

Obtaining a building permit also requires that the building project meet the technical requirements established in the National Building Regulation.

Meanwhile, environmental regulation for buildings or structures (including the construction phase) and land use are dictated by the national government through the Ministry of Environment, the Ministry of Housing and the Ministry of Production (i.e., for shopping centers). Additionally, municipalities have some regulatory powers in environmental issues such as emissions and solid waste.

Environmental Impact Assessment Act

Pursuant to Law No. 27446 and its regulations, any natural or legal person who intends to develop an investment project that may have an impact on the environment must obtain an environmental certification.

Some real estate projects, such as the following, are subject to environmental certification requirements: shopping centers (depending on the area and average density of inhabitants per hectare); certain types of land development, whether multifamily or residential (depending on the density zoning); parking buildings of certain size; and high-density infrastructures (schools, universities, prisons, arenas and stadiums, civic centers, museums, sports fields, etc.).

Real estate licenses

Investors that want to develop real estate projects need to obtain certain licenses. For instance, if the land is undeveloped yet (non-urban lands), a license to develop and a Reception of Construction Works (Recepción de Obras) is required before even applying for the building permit. In such cases, the possibility of developing depends on whether the land has been approved as developable by the provincial municipality. Conversion is achieved by developing accessibility routes and enabling water distribution, drainage systems, electricity and other infrastructure facilities.

Once the land is developed, construction projects become possible. However, new construction projects require a building permit before the commencement of construction. If anything is to be demolished, it is also necessary to have a demolition license. Additionally, in some types of projects, environmental certification is a requirement to obtain the building permit.

Occupying real estate does not require a license. However, if the building is intended to be commercial (offices, malls, shops, factories, etc.), an operating license is required.

To obtain an operation license, it is necessary to obtain a certificate that validates the security of the building or facility (Certificado ITSE). The inspection is made according to the risk of the activity and not the area of the facility or building. When the property has a low or medium risk, the approval of the certificate is automatic (the inspections are made after).

Social interest housing

In 2023, with the aim of promoting private investment for the development of Social Interest Housing (VIS for its acronym in Spanish), the Social Interest Housing Regulation (Reglamento de Vivienda de Interés Social) was approved (by Supreme Decree No. 006-2023-VIVIENDA), whose purpose was to develop provisions on Social Interest Housing to guarantee the right to decent and adequate housing.

Through the abovementioned Regulation, the Ministry of Housing, Construction and Sanitation (Ministerio de Vivienda, Construcción y Saneamiento) approved the application of urban benefits, focused on the maximum building heights for multifamily housing projects, mixed-use buildings, residential complexes, and mixed-use complexes. This benefit was referential and optional for the municipalities that required it, with the aim of promoting Social Interest Housing projects.

However, following the lawsuit filed by the Municipality of Lima and Municipality of Barranco, on 27 June 2024, the Peruvian Constitutional Court (CC) (Tribunal Constitucional) issued a ruling that ratified the exclusive competence of the municipalities to set the height of buildings. In this regard, the CC declared articles 26.1 and 26.2 of the Regulation, which corresponded to the urban benefits related to maximum heights, null and void.

In this regard, through Supreme Decree No. 005-2025-VIVIENDA, the Ministry of Housing, Construction and Sanitation approved a new Social Interest Housing Regulation, repealing the former regulation. This new regulatory framework no longer grants urban development benefits for Social Interest Housing (VIS) projects; therefore, such projects are now subject to the applicable urban planning instruments and the ordinances issued by the corresponding provincial municipalities.



Telecommunications

Telecommunications

Legal framework

The telecommunications market maintains an active agenda focused on connectivity expansion and technological modernization, with emphasis on: (i) the deployment of fiber optic infrastructure at the national level to bridge gaps in rural and peri-urban areas; and (ii) the reorganization and efficient management of the radio spectrum to facilitate next-generation technologies (including 5G).

With respect to broadband, the Peruvian Government has promoted the construction and operation of backbone and regional networks. In particular, the National Fiber Optic Backbone Network (*Red Dorsal Nacional de Fibra Óptica* — RDNFO) and its associated regional projects fall within the public connectivity policy framework and have required measures aimed at ensuring service continuity and defining sustainable operation and maintenance schemes.

As of the date hereof, the regional projects — comprising transport and access networks — are nearing completion and are expected to commence operations. These projects seek to connect numerous districts across the country, particularly in rural areas, with the

purpose of bridging the digital divide and providing internet access to public institutions. Likewise, Peru has adopted mechanisms for the provisional State-operated management of the RDNFO while long-term management alternatives are evaluated, including private investment and/or efficient operation and maintenance models.

With a view to continuing the modernization of telecommunications services and accelerating network deployment, the Ministry of Transport and Communications¹⁰ (MTC for its acronym in Spanish) has maintained an active regulatory and public policy update agenda in recent years. Noteworthy is the issuance of Legislative Decree No. 1627, aimed at promoting the deployment of public telecommunications services, as well as the approval of its regulations through Supreme Decree No. 004-2025-MTC, which sets forth the mechanisms and operational conditions to drive such deployment. In a complementary manner, MTC has continued with processes for the reordering and/or reorganization of spectrum bands to promote the development of next-generation technologies (including 5G), in line with efficiency and resource availability objectives.

Since the mid-1990s, telecommunications services (e.g., mobile telephony, long-distance carrier services, cable television) have been provided in Peru primarily by private companies under a free-competition regime. In general, telecommunications markets are open and there are no restrictions on the participation of foreign investors — except for rules applicable to broadcasting — nor on the number of operators in a given service or market, without prejudice to the limitations arising from the allocation of scarce resources such as the radio spectrum.

The regulatory framework is grounded in the General Telecommunications Law and its implementing regulations, as well as

¹⁰ www.mtc.gob.pe

supplementary sector-specific rules. The MTC is the competent authority for granting concessions for the provision of public telecommunications services and for authorizing the use of the radio spectrum, while the Supervisory Agency for Private Investment in Telecommunications¹¹ (OSIPTEL for its acronym in Spanish) exercises regulatory and supervisory functions over market conditions, interconnection, quality of service, and consumer protection, among other matters.

Market Access and Enabling Titles

To provide carriers and end-user services, operators must obtain a concession from the government and sign a contract. The Peruvian framework contains a concession regulation stating that by signing one concession contract, a company is allowed to provide carrier or final services. The characteristics of each of the services to be provided by the concessionaire are included in the correspondent registry as part of the concession contract.

To provide value-added services, companies must be registered before MTC. Internet access services are considered a value-added service. The commercialization of traffic and public telecommunications services is also permitted, subject to compliance with applicable requirements and the corresponding registration with the MTC. Satellite service providers must also be registered with MTC to provide satellite capacity services to local concessionaires.

To promote competition in public mobile services provision, the government has issued rules governing the provision of mobile services by mobile virtual network operators (MVNOs), and the conditions in which MVNOs can use the networks of mobile operators in exchange for a tariff. Concessionaire companies wishing to provide

¹¹ www.osiptel.gob.pe

services like MVNOs must comply with the applicable registration requirements, and those without a concession must apply for one before the MTC under the applicable special procedure.

Competition, Interconnection, Access, and Broadband

Interconnection is mandatory for concessionaires pursuant to sector regulations and includes access to essential facilities. In the absence of an agreement between the parties, the regulator may establish conditions through mandates, setting binding technical, operational, and economic parameters.

This framework is complemented by the Broadband Promotion Law and its implementing regulations, which establish principles and rules to promote the deployment of transport and access networks, and provide instruments to facilitate the efficient expansion of broadband infrastructure and services. In particular, the broadband regime is articulated with obligations and mechanisms for shared access/use of infrastructure (both public and private) to reduce deployment barriers, avoid inefficient duplication, and accelerate coverage in rural and socially priority areas.

Infrastructure Deployment and Relations with Local Governments

To facilitate the deployment and expansion of networks, Peru has a set of rules aimed at reducing deployment barriers: an infrastructure-sharing regime (antennas, ducts, poles), mechanisms for easements and rules for the use of public domain assets, as well as provisions favoring operators' access to infrastructure of other public services. Additionally, there is a special regime for infrastructure installation before local governments that seeks to standardize requirements and timelines, incorporating administrative simplification rules (including automatic approval of applications).

Quality, Consumer Protection, and Operational Security

OSIPTEL has continued a regulatory update process focused on quality of service and consumer protection. In this regard, a new General Quality Regulation (2024) was approved, updating standards, metrics, and obligations related to service provision. Likewise, toward 2025, provisions were approved aimed at modernizing the company–user relationship framework, including a new Conditions of Use Standard (*Norma de Condiciones de Uso*). Additionally, security measures associated with number portability have been promoted (e.g., authentication/confirmation mechanisms) to mitigate fraud and identity theft risks, which are relevant to risk management and compliance for operators and resellers.

Net Neutrality

Network neutrality regulation is applicable to companies that participate directly or indirectly in the provision of internet access services and to telecommunications operators in general. The applicable regulations govern the implementation of traffic management measures and prohibit practices that may unjustifiably block, interfere with, discriminate against, restrict, or degrade access to content, applications, or services.

Artificial Intelligence and Digital Transformation

Peru is rapidly incorporating artificial intelligence (AI)-based solutions — such as network analytics, capacity optimization, fraud detection, customer service automation (chatbots/voicebots), offer personalization, and decision-making tools in commercial and support processes — which is driving growing regulatory and compliance attention.

In this context, Peru has a general framework for the promotion and governance of AI use: Law No. 31814, whose implementing regulations were approved by Supreme Decree No. 115-2025-PCM

(2025). These regulations set forth provisions applicable to both public and private entities to foster the development and use of AI in support of economic and social development, including guiding principles and guidelines for its implementation.



Agriculture and Agro-Industry

Agriculture and agro-industry

Updates

In September 2025, Congress approved Law No. 32434, which regulates small producers and agribusiness companies, the latter being defined as individual business operators whose annual income exceeds 150 Tax Units (UIT).

Law No. 32434 provides that the agribusiness companies covered thereunder shall be subject to a reduced Corporate Income Tax rate of 15% from 2026 through 2035, and to the general regime rate as from 2036 onwards.

Unlike Law No. 31110, this new law extends the benefit of the reduced tax rate without segmentation based on income levels and also extends the application of the reduced advanced income tax payment rate of 0.8% until 2035, with the general rate of 1.5% becoming applicable as from 2036.

In addition, the new law recognizes additional benefits exclusively for companies that have hydraulic and irrigation infrastructure.

This new law entered into force on 1 January 2026 and is aimed at modernizing and formalizing the Peruvian agricultural sector, while promoting competitiveness, productivity, and long-term sustainability.

General framework

By means of the legal regime for the development of the lands for agrarian use, the integral, competitive and sustainable development of the agrarian sector, as well as the conservation and efficient use of the lands for agrarian use, was declared to be of national interest and public necessity. To this effect, the state guarantees free access to landownership, as well as the right to own land in all its modalities.¹²

Likewise, investments in agro-industrial activities are not subject to legal or administrative conditions that limit free installation, functioning, operation and commercialization of products derived from them. The prices of agricultural products are determined by free market conditions.

New agrarian regime

According to the provisions of Law No. 31110, the regime is applicable to individuals or legal entities that (i) develop crops and/or breed animals or (ii) carry out certain agro-industrial activities, if they mainly use agricultural products, outside the province of Lima and the Constitutional Province of Callao. Agro-industrial activities included in the agricultural regime are regulated in the Annex to Supreme Decree No. 006-2023-MIDAGRI. These include, mainly, the following: processing and preservation of meat; processing and preservation of fruits and vegetables; and post-harvest activities.

¹² Except for restrictions on foreign ownership of real estate within 50 kilometers of Peru's borders.

Importantly, these provisions do not cover the personnel of the administrative and technical support areas of the companies, or those engaged in the production of wheat, tobacco, oilseeds, oils and beer.

The main tax and labor aspects of the new agrarian regime are detailed in the following comparative table:

Comparison of the general regime with the general agricultural regime (tax and labor)										
Concept	General regime	Agricultural regime								
Income tax rate (third category)	29.5%	For individuals or legal entities whose net income does not exceed 1,700 UIT in the taxable year:								
		<table border="1"> <thead> <tr> <th>Year</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>2021-2030</td> <td>15%</td> </tr> <tr> <td>2031 onward</td> <td>General regime rate</td> </tr> </tbody> </table>	Year	Rate	2021-2030	15%	2031 onward	General regime rate		
Year	Rate									
2021-2030	15%									
2031 onward	General regime rate									
		For individuals or legal entities whose net income exceeds 1,700 UIT in the taxable year:								
		<table border="1"> <thead> <tr> <th>Year</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>2021-2022</td> <td>15%</td> </tr> <tr> <td>2023-2024</td> <td>20%</td> </tr> <tr> <td>2024-2027</td> <td>25%</td> </tr> </tbody> </table>	Year	Rate	2021-2022	15%	2023-2024	20%	2024-2027	25%
Year	Rate									
2021-2022	15%									
2023-2024	20%									
2024-2027	25%									

Comparison of the general regime with the general agricultural regime (tax and labor)

		2028 onward	General regime rate
Depreciation rate	As provided by law (generally 10% per year)	20% per year for water infrastructure and irrigation works	
Deduction with sales slips and tickets	The deduction of expenses supported by sales slips and tickets issued by taxpayers belonging to the new single system is allowed up to a limit of 6% of the expenses (the limit cannot exceed 200 UIT).	The deduction of expenses supported by sales slips and tickets issued by taxpayers belonging to the new single system is allowed up to a limit of 10% of the expenses (the limit cannot exceed 200 UIT).	
Early VAT recovery	It is necessary to subscribe an investment contract with the state, with an investment commitment of no less than USD 5 million. This regime consists of the refund of VAT levied on imports and/or local	It is necessary to sign an investment contract with the state, with an investment commitment of no less than USD 5 million. This regime consists of the refund of the VAT levied on imports and/or local acquisitions of new capital goods, new intermediate goods, services and construction contracts, carried	

Comparison of the general regime with the general agricultural regime (tax and labor)												
	acquisitions of new capital goods, new intermediate goods, services and construction contracts carried out in the pre-operational stage.	out in the pre-operational stage.										
Payments on accounts	Taxpayers pay to SUNAT, as payments on account, the amount resulting from applying to the net income of the month the higher of the following: (i) the division between the income tax calculated in the previous year and the net income of the same year and, in the case of January and February, the coefficient determined on the basis of the year preceding the previous year; and (ii) 1.5%.	<p>The taxpayers required to make payments on accounts under the general regime shall make such payments as follows:</p> <table border="1"> <thead> <tr> <th>Taxpayers under the following agricultural income tax rates</th> <th>Applicable rates to the prepayment</th> </tr> </thead> <tbody> <tr> <td>15%</td> <td>0.8%</td> </tr> <tr> <td>20%</td> <td>1.0%</td> </tr> <tr> <td>25%</td> <td>1.3%</td> </tr> <tr> <td>Rate of the general regime</td> <td>1.5%</td> </tr> </tbody> </table>	Taxpayers under the following agricultural income tax rates	Applicable rates to the prepayment	15%	0.8%	20%	1.0%	25%	1.3%	Rate of the general regime	1.5%
Taxpayers under the following agricultural income tax rates	Applicable rates to the prepayment											
15%	0.8%											
20%	1.0%											
25%	1.3%											
Rate of the general regime	1.5%											

Comparison of the general regime with the general agricultural regime (tax and labor)

	<p>If there is no income tax calculated in the previous year or in the year preceding the previous year, taxpayers shall pay to SUNAT, as a monthly payment on account, the amount resulting from applying the coefficient of 1.5% to the net income obtained in the same month.</p>	
<p>Labor recruitment</p>	<p>For an indefinite term and, by exception, through fixed-term employment contracts in accordance with legal requirements.</p>	<p>No special rules are established with respect to fixed-term contracts, but there are criteria of preference in the hiring of workers:</p> <ul style="list-style-type: none"> • The hiring of an agricultural worker for small periods that within a one-year period exceeds two months, gives them the right to be hired preferentially each time the employer hires workers, in the same line of farming. • If the worker is hired by the same employer under

Comparison of the general regime with the general agricultural regime (tax and labor)

intermittent, seasonal or similar contracts, twice consecutively or non-consecutively, they are given preferential consideration for hiring by the employer in the following seasons.

- If an agricultural worker works for several employers under seasonal or seasonal contracts, covering a full year in related companies, they gain the preferential right to be hired by the same companies in the following seasons.
- If the worker is hired by the same employer for at least two seasons in the same year to provide services in different crops whose combined seasonality covers the whole year, they should be given preferential consideration for hiring in the following seasons.

Comparison of the general regime with the general agricultural regime (tax and labor)

Minimum wage (RMV)	PEN 1,130 per month or PEN 37.67 per day, provided that an average of more than four hours is worked per day.	The basic remuneration cannot be less than the minimum wage (PEN 1,130). The daily compensation (RD) is equal to the sum of the basic compensation, plus bonuses and CTS, divided into 30.
Special allowance for agricultural work (BETA)	Not applicable	Equivalent to 30% of the RMV (PEN 339). It is not remunerative or pensionable and does not serve as a basis for calculating other benefits. It is subject to fifth category income tax, if applicable. Paid monthly but may be paid daily by prior written agreement. Paid to personnel who work at least four hours per day on average. If the workday is less, payment is prorated.
Independence Day holidays and Christmas bonuses	One month's remuneration to be distributed in July and December.	Included on a prorated basis in the Daily Remuneration (see Minimum Wage). The employee can choose to receive the bonuses in regular installments, without them

Comparison of the general regime with the general agricultural regime (tax and labor)		
		being prorated in the daily remuneration.
Severance pays (CTS)	Semiannual deposits in May and November of each year, in a bank or financial institution designated by the employee, of 9.72% of the remunerations — including bonuses — received in each semester by the employee.	Included pro rata in the daily compensation (see RMV). The employee can choose to receive the CTS in regular installments, without them being prorated in the daily remuneration.
Vacation	30 calendar days paid per year of service or applicable fraction	Proportional to what corresponds to the 30-day vacation per year of service, depending on the type of contract Vacations earned and not taken are calculated based on the days worked and correspond to 8.33% of the basic salary. This amount must be paid at the end of the employment relationship or at the end of a season or intermittence.

Comparison of the general regime with the general agricultural regime (tax and labor)

Family allowance	Applicable to workers whose remunerations are not regulated by collective bargaining. It consists of the right to receive an allowance of 10% of the minimum remuneration (currently PEN 113) if the employee has one or more children under 18 years of age.	Applicable to workers whose remuneration is not regulated by collective bargaining. It consists of the right to receive 10% of the minimum remuneration (currently PEN 113) if you have one or more children under 18 years of age.
Profit Sharing	A percentage of the company's profits is distributed among all employees. The applicable percentage depends on the company's line of business: <ul style="list-style-type: none"> • Fishing industry: 5% • Telecommunications: 10% • Mining: 8% • Commerce and restaurants: 8% 	For this sector, the profit-sharing percentage has been established on a progressive basis: <ul style="list-style-type: none"> • From 2021 to 2023: 5% of profits • From 2024 to 2026: 7.5% • From 2027 onwards: 10% This percentage applies to the company's entire workforce.

Comparison of the general regime with the general agricultural regime (tax and labor)

	<ul style="list-style-type: none"> • Other activities: 5% <p>The profit-sharing amount is distributed among all employees of the company and is not based on salary. Instead, it is calculated based on each employee's number of days worked (50%) and remuneration received (50%) during the relevant fiscal year.</p>	
Compensation for arbitrary dismissal	1.5 monthly remunerations for each complete year of service, with a maximum of 12 remunerations.	Equivalent to 45 daily remunerations for each complete year of service, with a maximum of 360 daily remunerations
Employer's contribution to ESSALUD	9% of the monthly remuneration for each employee.	Employers with less than 100 workers, or sales of less than 1,700 UIT: <ul style="list-style-type: none"> • From 2021 to 2027: 6% of the basic remuneration

Comparison of the general regime with the general agricultural regime (tax and labor)

		<ul style="list-style-type: none"> • From the 2028 onward: 9% of the basic remuneration <p>Employers with 100 or more workers, or sales greater than 1,700 UIT:</p> <ul style="list-style-type: none"> • From 2021 to 2022: 7% of the basic remuneration • From 2023 to 2024: 8% of the basic remuneration • From 2025 onward: 9% of the basic remuneration
Supplemental risk worker's compensation insurance	Activities that constitute high-risk work are covered by the Seguro Complementario de Trabajo de Riesgo (SCTR).	The activities carried out in this sector that constitute high-risk work are covered by the SCTR. Currently, the law does not define "high-risk work."

Any other item not included in this table will be adjusted for the agricultural system in the same manner as it is adjusted in the general system.

Fintech

New developments in the regulatory framework for fintechs

During the last few years, there have been important regulatory developments in relation to the fintech sector. Among the main regulatory developments during 2025 are the following:

- (i) General Regulation of the Payment Systems, approved by Circular No. 0022-2025-BCRP

Through this regulation, the Central Reserve Bank of Peru (BCRP) introduced a more robust and predictable regulatory framework for the payments industry in Peru, strengthening its role as the regulatory, supervisory, and sanctioning authority. The new framework shifts from a registry-based model to a mixed regime that combines informational registries with prior authorization requirements, particularly relevant for Payment Service Providers (PSPs) and Payment Service Entities (PSEs). This transition raises operational, solvency, risk management, and business continuity standards, aligning Peru's payment system with international best practices and fostering greater

institutional confidence for the development and consolidation of the payments ecosystem.

From a commercial perspective, the regulation provides greater regulatory clarity and risk reduction, both critical factors for investment decision-making. While it increases compliance requirements, including minimum capital thresholds, reporting obligations, controls over technology providers, data protection, and anti-money laundering measures, it also establishes clear rules on interoperability, free competition, and pricing. This, in turn, promotes an orderly and sustainable competitive environment for emerging companies. Overall, the new regulatory framework strengthens the stability of the National Payment System and creates safer and more transparent conditions for investment in fintech companies, payment platforms, and financial infrastructure in Peru, supported by a clearly defined roadmap for growth and scalability.

- (ii) This Regulation entered into force on April 1, 2026. Entry into force of the Travel Rule, approved under the Regulation for the Prevention of Money Laundering and Terrorist Financing applicable to Virtual Asset Service Providers (VASPs) under the supervision of UIF-Peru, approved by SBS Resolution No. 0264-2024. Under this regulation, all Virtual Asset Service Providers (VASPs) are required to obtain, retain, and transmit specific information regarding their customers and the beneficiaries of their transfers in an immediate and secure manner. This obligation entails that such information must be transmitted prior to, simultaneously with, or together with the transfer, and that VASPs must ensure the integrity and availability of the information transmitted and stored.

- (iii) New SBS Regulatory Sandbox, approved by SBS Resolution No. 04142-2025.

Through this regulation, the Superintendence of Banking, Insurance and Pension Funds (SBS) introduced substantive amendments to Peru's regulatory sandbox framework, originally established by SBS Resolution No. 2429-2021. The new regulation redefines the scope of the sandbox by expanding the range of eligible participants and relaxing certain core operational requirements to enable the development of innovative business models.

The expansion of the sandbox's participant base is accompanied by safeguards aimed at preserving the stability of the financial system and ensuring adequate user protection. In this context, non-supervised entities, now eligible to participate in the sandbox, must demonstrate that they are duly incorporated in Peru, that their legal representatives' powers are in force, the suitability of their attorneys-in-fact and shareholders, and the availability of sufficient human, technological, and financial resources to implement the proposed model. In addition, such entities must expressly accept their submission to the sandbox rules and to any measures or sanctions that may be imposed by the SBS.

From a fintech perspective, this approach is beneficial as it reduces regulatory uncertainty and facilitates an orderly entry into the financial system. The requirement to adopt minimum policies on information security, cybersecurity, consumer protection, risk management, and anti-money laundering enables participants to anticipate future regulatory standards, strengthen user and investor confidence, and develop their business models within a controlled environment, without being subject from the outset to the full regulatory burdens applicable to fully licensed entities.

General regime

Fintech activities are generally not subject to regulation, and there are no major obstacles for a fintech to enter the Peruvian market.

However, as the sector continues to grow, there is a clear trend toward the enactment of new regulations, such as the General Regulation of the Payment System approved by Circular No. 0022-2025-BCRP. Notwithstanding the foregoing, the regulatory and business environment for fintech companies in Peru may still be considered largely favorable.

Importantly, the regulation is only applicable to fintechs that intend to carry out activities that the Securities Market Law reserves exclusively for entities authorized by the banking, insurance and pension funds regulator (SBS) and the capital markets regulator (SMV), respectively. This is notwithstanding the fact that the SBS may allow the temporary performance of any operation or activity through innovative models, being able to grant exceptions to the regulation applicable to natural or legal persons performing such activities.

Thus, depending on the activity that a fintech performs (for example, factoring, financial leasing, crowdfunding, insurance), it may be subject to regulation by the SBS or the SMV. In the case of factoring and leasing activities, such regulation will apply whenever the fintech exceeds the thresholds established by the SBS.

Likewise, certain activities (such as financing in which there is no financial intermediation or currency exchange), although not regulated, require the company performing such activities to register with the SBS to comply with the applicable regulations on the prevention of money laundering and financing of terrorism, in accordance with the relevant regulations.

Fintechs that process personal data or carry out cross-border flow of personal data must observe (as with any other company) the provisions contained in Law No. 29733 (Personal Data Protection Law) and its regulations.

Financial inclusion

Since Peru is a country with low rates of financial inclusion¹³ and low penetration of the insurance sector,¹⁴ fintech activity has great growth potential. As of March 2025, Peru's fintech ecosystem comprises a total of 193 fintech companies either incorporated in Peru or founded by Peruvian entrepreneurs and operating in the country. This represents a 20.9% increase compared to the 132 fintech companies identified in 2021. This growth has driven greater use of digital channels for financial transactions and, as a result, has led to changes in the way individuals' access and use financial services.¹⁵

According to the Financial Inclusion Indicators Report of the SBS as of June 2025, there has been a significant increase in the use of virtual channels since June 2019 (e.g., mobile banking, telephone banking, internet payments, among others). During this period, transactions through virtual banking increased drastically, from 27 million in June 2019 to 836 million in June 2025.

All the above is evidence that the user of financial services has strongly adopted the use of virtual channels. This, added to the low rates of financial inclusion, generates opportunities for growth in fintech activity, which applies new technologies to financial, insurance and investment activities that can now reach sectors of the population that have previously been underserved by traditional financial services.

In the coming years, the Peruvian government is also expected to prioritize the promotion of access to and use of new technologies among citizens. To this end, in March 2025, the evaluation phase of

¹³ According to information published by the SBS, only 57.4% of adults have a deposit account in the financial system, and only 34.4% have outstanding loans.

¹⁴ The insurance premium penetration rate, measured by net insurance premiums as a percentage of GDP, is 2%, according to SBS figures.

¹⁵ National Payment System and Fintech Sector Report – Peru (March 2025)

the BCRP's First Digital Money Innovation Pilot was launched. This initiative is being implemented pursuant to Circular No. 011-2024-BCRP, which established guidelines for the authority to conduct digital money usage trials in areas with low penetration of electronic payment methods.

Fishing



Fishing

General framework

Fishing activities must be conducted in accordance with the provisions of the General Fishing Law (Law Decree No. 25977) and its regulations.

The hydrobiological resources found in the territorial waters of Peru are considered national patrimony. Therefore, their exploitation must be performed in accordance with the principle of sustainable use of natural resources. Pursuant to the Peruvian Constitution, Peru's maritime domain includes the sea adjacent to its coasts, the seabed and the subsoil water, extending out to 200 nautical miles. Thus, the General Fishing Law and its regulations are applicable to activities carried out within these jurisdictional waters.

Fisheries management regulations were approved in accordance with the characteristics of each species, geographic area and/or destination of the hydrobiological resources. The most relevant are, among others: the Fisheries Management Regulations for Anchovy and White Anchovy Resource for Direct Human Consumption; the Fisheries Management Regulations for the Hake Resource; the

Fisheries Management Regulations for the Horse Mackerel and Mackerel Resources (species reserved exclusively for the manufacture of products for direct human consumption — preserved, canned, frozen or cured — among others); the Fisheries Management and Aquaculture Regulations for the Lake Titicaca Basin; and the Fisheries Management Regulations for the Peruvian Amazon.

The Ministry of Production¹⁶ is the authority that supervises fishing activities. Its main functions are the following: issuing fisheries management measures; granting permits for the development of fishing activities; and supervising, and if appropriate, penalizing infringements, with exception to environmental issues related to industrial fishing processing and large-scale aquaculture, which are under the jurisdiction of OEFA. The Ministry of Production oversees regularly approving management measures for the determination of the total quotas of catch per species, the individual fishing quotas in the case of the anchovy and hake species, and the fishing seasons. Further, the ministry is also entitled to grant fishing permits for the operation of vessels, licenses for the operation of processing plants, and authorization or concession to carry out aquaculture activities.

The General Fishing Law and its regulations provide five types of fishing activities, as detailed below.

Specialized research and training activities

To facilitate scientific research on fisheries, the Ministry of Production grants authorizations for conducting studies within Peru's jurisdictional waters. This right allows its holder to operate scientific vessels and extract specimens of various types for research purposes.

¹⁶ <https://www.gob.pe/produce>

Extraction activities

Extractive activities are generally classified as either commercial or non-commercial. Commercial activities comprise those related to artisanal and industrial fisheries. Non-commercial activities comprise research, aquatic hunting and subsistence.

To carry out extractive activities, it is necessary to obtain, among others, a fishing permit. This permit entitles the titleholder to operate fishing vessels and to extract hydrobiological resources within the territorial waters of Peru. The fishing permit indicates the vessel name, the registration number, the storage capacity, the species it is entitled to fish, and the fishing gear that may be used. If the titleholder complies with the obligations set forth by the law, the fishing permit will be valid for an indefinite term.

The ownership transfer of fishing vessels in Peru involves the transfer of the fishing license and all respective supplementary rights and accessories.

To maintain the validity of the fishing permit, the holder must comply with the following conditions: (i) not to increase the authorized storage capacity established in the fishing permit; (ii) achieve the annual minimum fishing effort, which is equivalent to the storage capacity of the fishing vessel; (iii) fulfill applicable fishing rights payments; and (iv) hold a valid certificate of registration of the vessel issued by the General Direction of Captaincies and the Coast Guard.

Considering that Peru is the world's largest producer of fishmeal, special attention is given to anchovy regulation and the feedstock to produce fish oil and fishmeal.

In 2008, through Law of Maximum Catch per Vessel (Legislative Decree No. 1084), a fishing quota system for anchovy was implemented, replacing the "Olympic System." Under the Fishing Quota System, each national vessel is assigned a maximum

percentage of the catch (individual quota), which grants an aliquot of the total catch quota determined for each fishing season and for each zone.

Meanwhile, authorization to extract tuna resources is granted through a tender or an administrative procedure based on the characteristics of the tuna vessels. Peruvian authorities conduct public biddings to allocate the quotas assigned to Peru by the Inter American Tropical Tuna Commission (IATTC). This initiative is aimed at promoting the extraction of tuna by Peruvian flag vessels and facilitating the processing in industrial plants located in Peru. As member of the IATTC, Peru has a global share — expressed in cubic meters of storage capacity — distributed among the vessels that compose the national fleet. Currently, we have a Peruvian flag fleet carrying out tuna exploitation activities in Peruvian and international waters, together with foreign flag vessels.

Processing activities

In general, processing hydrobiological resources in Peru is focused on: (i) products for indirect human consumption, such as fishmeal and fish oil; and (ii) products for direct human consumption, where there is a diverse group of products, most notably canned and frozen.

For the development of both processing activities, an industrial plant must secure a license from the Ministry of Production. To be eligible, it the plant must obtain an environmental certification issued by the same authority.

The government has been strongly promoting the development of processing activities for direct human consumption, passing regulations intended to enhance and expedite the procedure for obtaining the required operation license. On the other hand, processing activities for indirect human consumption (fishmeal and fish oil production) are restricted. The Ministry of Production no longer grants new operation licenses for indirect human consumption. Thus,

this right is commonly obtained by purchasing an industrial plant with a license that is valid and in force.

Notwithstanding the above, the Ministry of Production may grant new licenses for the installation and operation of residual flour industrial plants, which operate under special regulations designed to process waste from facilities producing goods for direct human consumption.

Trade and services activities

In Peru, the trade of fishery products (except for exports of seeds and wild aquaculture products) does not require any permit, license or authorization. However, the provision of quality control and certification services for commercial fish products requires authorization from INDECOPI.

Aquaculture activities

These consist of cultivating aquatic species, usually throughout all stages of maturation of the species, from their birth until they are ready for trading or processing. The Peruvian government has developed a cadaster that identifies aquaculture rights, available areas, evaluated hydrobiological resources, and fishing areas, among others.

Due to its characteristics, which are substantially different from fishing activities, aquaculture is primarily governed by the Aquaculture General Law (Legislative Decree No. 1195), which acknowledges as "national interest" the sustainable development of aquaculture.

As in fishing, the Ministry of Production is the authority responsible for passing special regulations, granting administrative rights, and overseeing and penalizing aquaculture activities (except for environmental issues of the activities related to large-scale aquaculture, which is under the purview of OEFA). For the development of aquaculture activities in public domain waterbodies such as seas, rivers and lagoons, the Ministry of Production grants a

temporary concession (up to 30 years, renewable for the same term). The concessions are granted through: (i) national or international public tender process; or (ii) direct granting.

In addition, the following activities may be developed by obtaining a temporary authorization (up to 30 years, renewable for the same period) from the Ministry of Production: (i) aquaculture activities to be developed within private waters, such as specially equipped artificial ponds; or (ii) research, technological development and innovation activities related to aquaculture.

The rights granted by the Ministry of Production may be transferred to third parties.

To promote aquaculture activities, the General Aquaculture Law establishes a public registry for aquaculture concessions and authorizations.

The law also entitles the holders of aquaculture concessions or authorizations to mortgage their aquaculture rights and to grant security interests over the farmed aquatic resources.

In addition, the Peruvian government promotes the development of aquaculture activities by implementing policies that ensure rapid access to aquaculture rights, such as the Single Filing Address for Aquaculture (*Ventanilla Única de Acuicultura*). Moreover, for general purposes, the Peruvian government has implemented the Single Filing Address for the Production Sector (*Ventanilla Única del Sector Producción*) to simplify the administrative procedures and services related to fishing activities, thereby reducing costs and saving time.

National Fishing Policy

Through Supreme Decree No. 012-2025-PRODUCE, the National Fishing Policy to 2040 was approved. This policy establishes a long-term roadmap aimed at:

- a) Transforming the fishing sector into an economic, social, and food security booster.
- b) Promoting innovation, regulatory order, and sustainability.
- c) Strengthening the formalization of artisanal fishing and the responsible management of hydrobiological resources.

This strategic regulatory framework also projects increased contributions of the sector to gross domestic product (GDP), as well as greater levels of formal employment in fisheries and aquaculture.

Taxation benefits — General Aquaculture Law

Per Legislative Decree No. 1515, as from January 2022, taxpayers under the General Aquaculture Law are beneficiaries of tax benefits as described in the comparative chart below:

Item*	General regime	Aquaculture regime				
Income tax rate (third bracket)	29.5%	For natural or legal persons whose net income does not exceed 1,700 UIT in the taxable year:				
		<table border="1"> <thead> <tr> <th>Year</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>Until 2030</td> <td>15%</td> </tr> <tr> <td>From 2031 onward</td> <td>General regime rate</td> </tr> </tbody> </table>	Year	Rate	Until 2030	15%
Year	Rate					
Until 2030	15%					
From 2031 onward	General regime rate					
		For natural or legal persons whose net income exceeds 1,700 tax units in the taxable year:				

Item*	General regime	Aquaculture regime	
		Year	Rate
		2022	15%
		2023-2024	20%
		2024-2027	25%
		From 2028 onward	General regime rate
Depreciation rate	As provided for by law (usually 10% per year)	20% per year for investments in cultivation infrastructure and water supply channels Applicable until 31 December 2025	



Tourism

Tourism

During 2025, Peru's tourism sector consolidated its recovery and strengthened its international positioning through major reputational milestones and continued progress on sustainability and innovation. Peru received top-tier recognition at the World Travel Awards 2025, including World's Leading Culinary Destination, World's Leading Cultural Destination, Machu Picchu as World's Leading Tourist Attraction, and PROMPERÚ as the World's Leading Tourist Board.

On June 1, 2025, the new terminal of Lima's Jorge Chávez International Airport commenced operations. The new terminal aims to strengthen Lima's position as a regional air hub and expand airport capacity through modernized infrastructure designed to enhance service standards and international connectivity.

General framework

To support businesses in the tourism sector, Peru enacted Law No. 32392 (the new General Tourism Law), which adopts a more competitive, sustainable and innovative approach. Unlike the previous regime, Law No. 32392 strengthens sector planning instruments (including the National Strategic Tourism Plan and Regional Strategic

Tourism Plans), promotes sustainable destination management, and introduces digital transformation tools such as the Integrated Tourism Management Information System (SIIGTUR). The new legal framework seeks to raise standards of quality, formalization and tourist safety, while providing a more structured environment for public-private coordination and the development of tourism-related investment.

The new law introduces a special income tax regime for core revenue-generating tourism activities and services carried out within Special Tourism Development Zones (ZEDT) designated by the competent authorities. This regime provides for a preferential stepped corporate income tax rate (0% for years 1–5, 10% for years 6–10, and 15% for years 11–15), subject to requirements evidencing actual operations within the zone (including local employment and infrastructure) and to a non-cumulative rule preventing the simultaneous application of other tax incentives.

In September 2025, the Ministry of Foreign Trade and Tourism (Ministerio de Comercio Exterior y Turismo — MINCETUR) published for public consultation the draft regulations implementing Law No. 32392; however, the final regulation has not yet been officially issued.

Main institutions

The main institutions relevant to the tourism sector are as follows:

- The Ministry of Foreign Trade and Tourism (Ministerio de Comercio Exterior y Turismo — MINCETUR)¹⁷ is the governing body of the tourism sector at the national level. Additionally, a Tourism Advisory Committee has been created, comprising representatives from entities related to tourism activities.

¹⁷ www.mincetur.gob.pe

- The Commission for the Promotion of Peru for Export and Tourism (Comisión de Promoción del Perú para la Exportación y el Turismo — PROMPERÚ),¹⁸ regulated by Supreme Decree No. 003-2007-MINCETUR.

This institution is responsible for developing export and tourism promotion activities and serving exporting companies and tour operators. It is also responsible for promoting Peru's image and tourism.

- The National Directorate of Tourism Development (Dirección Nacional de Desarrollo Turístico) aims to promote and coordinate the development and execution of tourism projects carried out by local governments, regional organizations, or other public entities.
- The Ministry of Culture (Ministerio de Cultura)¹⁹ is the entity responsible for protecting, managing and promoting the nation's cultural heritage, as well as contemporary cultural creation, and ethnic and cultural diversity.
- The National Service of Natural Protected Areas by the State (Servicio Nacional de Áreas Naturales Protegidas por el Estado — SERNANP)²⁰ is responsible for protecting historical and archaeological monuments, as well as natural parks and reserves.

¹⁸ www.promperu.gob.pe

¹⁹ www.cultura.gob.pe

²⁰ www.sernanp.gob.pe

- The National Chamber of Tourism of Peru (Cámara Nacional de Turismo del Perú — CANATUR)²¹ is an entity that brings together institutions, organizations, companies and individuals engaged in tourism activities in Peru.

Legal regime

The legal framework of the tourism sector is composed of the following regulations:

The General Tourism Law, Law No. 32392, and its amending regulations, establish the basic principles for the development of tourism activities in the country, with the aim of promoting, encouraging and regulating the sustainable development of tourism activities.

Included within the scope of Law No. 32392 are companies that qualify as providers of tourism services, among which are travel and tourism agencies, lodging establishments, tour guides, tourist transportation services, casinos, restaurants, and related services, among others.

The Regulation of Travel and Tourism Agencies, approved by Supreme Decree No. 005-2020-MINCETUR, aims to increase the formalization of companies to provide greater security for tourists, and establishes that tourism companies must register in the National Directory of Qualified Tourism Service Providers (Directorio Nacional de Prestadores de Servicios Turísticos Calificados).

Under this regulation, a distinctive mark is granted to those companies that formalize and comply with the regulations so that tourists can easily identify them and make more responsible choices in their consumption of tourism services. Additionally, this regulation

²¹ www.canatur.org

establishes the requirements and procedures to authorize the provision of services by a travel and tourism agency, defines the concept of travel and tourism agencies, sets out the conditions that they must meet to provide the service, classifies them as either Retailer, Wholesaler, or Tour Operator, and specifies the obligation to submit a sworn statement that accounts for compliance with minimum requirements.

The competent regional bodies, divided into the Regional Directorates of Foreign Trade and Tourism of the regional governments and the Municipality of Lima, through its competent body, are responsible for supervising compliance with the abovementioned Regulation, granting authorizations accordingly.

Supreme Decree No. 001-2015-MINCETUR, Regulation of Lodging Establishments, and its amending regulations, detail the minimum requirements for establishments to hold the classification and categorization of hotels, apart-hotels, hostels, and lodges, respectively. The competent regional bodies, divided into the Regional Directorates of Foreign Trade and Tourism of the regional governments, and the Municipality of Lima, through its competent body, are responsible for enforcing this regulation. They are authorized to grant the classification and categorization of establishments, verify compliance with the required standards, and conduct supervision visits *ex officio*, among other duties.

The Regulation of Lodging Establishment Evaluators, approved by Ministerial Resolution No. 151-2001-ITINCI/DM, defines the functions and procedures for the evaluation and designation of lodging establishment evaluators, who are responsible for issuing technical reports on requests for the status of classified and/or categorized lodging establishment.

On 17 December 2018, the draft Regulation of Lodging Establishments was pre-published on the Institutional Portal of the Ministry of Foreign Trade and Tourism (MINCETUR), so that for a

period of 30 calendar days, the General Directorate of Tourism Development Policies could receive, process, evaluate and consolidate the various proposals and opinions received regarding the draft Regulation of Lodging Establishments, to subsequently prepare its final text. However, to date, this new regulation has not yet been approved.

The National Building Regulations, approved by Supreme Decree No. 011-2006-VIVIENDA, include all technical standards that establish the requirements for the construction and maintenance of buildings, regulating buildings for tourism purposes.

The Regulation for the Categorization and Tourist Rating of Restaurants, approved by Supreme Decree No. 011-2019-MINCETUR, establishes the administrative provisions that regulate the categorization of restaurants, as well as their rating as "Tourist Restaurant," and adapts the rules of previous regulations to administrative simplification measures. The competent regional bodies, divided into the Regional Directorates of Foreign Trade and Tourism of the regional governments and the Municipality of Lima, through its competent body, are responsible for supervising compliance with the mentioned regulation, granting the respective category to restaurants, as well as conducting the respective supervision visits, among other duties.

The Tourist Guide Law, approved by Law No. 28529 and its amendments, regulates the activity of tourist guides, carried out by those with a degree in tourism and by tourist guides who hold a title in the name of the nation and are registered in the corresponding registry.

Supreme Decree No. 022-91-ICTI-TUR, which declared the protection of all national or foreign tourists, whether individually or in organized groups, who stay or travel within the territory of the Republic, to be of national interest.

The National Transportation Administration Regulation, approved by Supreme Decree No. 017-2009-MTC, aims to regulate land transportation services in general, including tourist land transportation services to meet the travel needs of users under conditions of safety and quality. This regulation applies to tourism service providers that conduct tourist land transportation activities, and travel and tourism agencies that transport users in their own vehicles.

The Law for the Promotion of Sustainable Development of Tourism Services in Real Estate Assets that are Part of the Nation's Cultural Heritage, approved by Law No. 29164 and its amendments, establishes certain conditions that favor and promote the development of private investment to enable the recovery, restoration, conservation, enhancement and sustainable development of real estate assets that are part of the nation's cultural heritage, through concessions for the provision of tourism services, in the areas determined for this purpose by the Ministry of Culture.

Tax benefits and promotions of enterprises linked to tourism activities

There is certain tax benefits related to tourism, aimed at encouraging inbound tourism by exempting accommodation and food services acquired in the country by nonresidents from the general sales tax (VAT), provided that the food services are offered in the same lodging establishment. Additionally, there are the following provisions, among others: (i) the provision of lodging services, including food, to nonresidents is considered an export (Legislative Decree No. 919); (ii) regulations have been issued for the application of tax benefits to lodging establishments that provide services to non-residents (Supreme Decree No. 122-2001-EF); (iii) there are regulations regarding the special registry of lodging establishments (Resolution No. 082-2001-SUNAT); and (iv) Law No. 29646 was enacted, which amended Article 33 of the Consolidated Text of the General Sales Tax

and Selective Consumption Tax Law, with numeral 4 referring to the provision of lodging services.

In addition, Law No. 32392 (the new General Tourism Law) introduced tax incentives to promote investment in Special Tourism Development Zones (ZEDT), providing for a preferential stepped corporate income tax rate for ZEDT users (0% for years 1–5; 10% for years 6–10; and 15% for years 11–15), subject to qualifying investment requirements and evidence of actual operations within the zone, including local employment and infrastructure.

The "Turismo Emprende" Fund, created by Legislative Decree No. 1329, seeks to promote the creation, development and consolidation of private enterprises (whether they are natural or legal persons, including micro and small enterprises) linked to tourism activities. In this way, financing and/or co-financing of enterprises will be provided to promote tourism diversification in the country.

Agreements and alliances

There are various agreements and conventions signed between the Peruvian state and other states aimed at facilitating the promotion and cooperation in tourism. Among the countries that have signed agreements for tourism cooperation are: China, Costa Rica, El Salvador, Guatemala, Hungary, Italy, Mexico, Panama, Portugal, the Dominican Republic, Romania and Thailand, as well as the signing of an Agreement for the Promotion of South American Tourism by the members of the Latin American Integration Association (ALADI), which includes Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Paraguay, Uruguay and Venezuela.

It is worth noting that the member countries of the Andean Community (Bolivia, Peru, Colombia and Ecuador) have regulations that allow their nationals to be admitted and to enter any of these countries as tourists, by simply presenting one of the valid and current national identification documents from the issuing country, without the

requirement of a consular visa. Additionally, there are agreements that allow the free movement of people (as tourists) between Peru and Brazil and between Peru and Chile. It should also be noted that Peru is a member of the Asia-Pacific Economic Cooperation Forum (APEC), composed of 21 different economies. These are Australia, Brunei Darussalam, Canada, Chile, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, Chinese Taipei, Thailand, the US, and Vietnam. Its main objective is to achieve trade and investment liberalization and facilitation for developed economies by 2020 for developing economies. APEC works to create a safe environment for the efficient movement of goods, services and people in the region.

Peru is also part of the Pacific Alliance, which is made up of Chile, Mexico, Colombia and Peru. This is a mechanism for political, economic and integration articulation that seeks to promote greater growth and competitiveness of the four economies that comprise it, through the free movement of goods, services, capital and people. Among the technical groups that make it up is tourism, which aims to strengthen and develop cooperative relations based on the design of initiatives that seek to increase tourist flows within the Pacific Alliance. Furthermore, it is important to highlight the collaboration alliance between the World Tourism Organization (UNWTO) and the Development Bank of Latin America and the Caribbean (CAF), under which the Tourism Investment Guide was developed. This guide was presented on 16 July 2024 as a tool to attract investments and strengthen the country's position as a leading tourist destination in Latin America.

Digital tourism

The Peruvian government, together with the Development Bank of Latin America (CAF), signed a memorandum of understanding to promote digital transformation throughout the entire tourism chain in

Peru. This initiative aims to improve the competitiveness of all sector actors, boost economic recovery, connect its stakeholders and provide essential support to regions, associations, micro, small and medium-sized enterprises (MSMEs), communities, professionals, and artisans.



Green
Hydrogen

Green hydrogen

Legal framework

In March 2024, the government published Law No. 31992, the Law for the Promotion of Green Hydrogen, which seeks to promote the research, development, production, transformation, storage, conditioning, transportation, distribution, commercialization, export and use of green hydrogen as fuel and energy vector. To this end, the law declares these activities to be of national interest.

For purposes of the law, green hydrogen is obtained from water through processes that use renewable energy resources as a source of energy.

The Ministry of Energy and Mines (MINEM) promotes the generation, production and use of green hydrogen in the industry from renewable energies as an energy vector, as a fuel, and as an input in industrial processes nationwide, either as hydrogen or by-products such as fertilizers, organic liquids and methanol.

MINEM will formulate sectoral energy policies and plans for the development of the green hydrogen value chain, from its production to its final use. As such, the following conditions shall be guaranteed:

- Territorial planning for the establishment of productive poles of development centers and green hydrogen production and transformation plants.
- The granting of economic and tax benefits for research, production, transformation, transport, commercialization, export and use of green hydrogen as fuel and energy vector
- The industrial application of green hydrogen as fuel for the following uses: vehicles, agriculture, industrial, air transport, maritime transport, public and cargo transportation, and other non-energy applications that require fossil fuels
- The promotion of the development and production of green hydrogen at industrial level from surplus renewable energy and for its application as a blend in the gas grid
- Obtaining international financing to promote green hydrogen development and production projects
- The timely provision of the complementary regulatory framework for the development of green hydrogen

The government has yet to approve the regulations necessary for the application of this law.

Life Sciences & Healthcare

Health Regulations

Regulated products

In this category, there are health regulations applicable to, on one hand, pharmaceutical products, health products (cosmetics, household hygiene products, absorbent personal hygiene products and baby care products) and medical devices, and on the other hand, industrially processed food and beverages.

Pharmaceutical products, health products and medical devices

Regarding these products, the governing authority is the General Directorate of Medicines, Medical Supplies and Drugs (Dirección General de Medicamentos, Insumos y Drogas or DIGEMID), an agency from the Ministry of Health and responsible for securing people's access to safe, effective and good-quality medicines.

The main rules applicable to pharmaceutical products, health products and medical devices are (i) Act No. 26842, the General Health Act; (ii)

Law No. 29459, the Law on Pharmaceutical Products, Medical Devices and Health Products; (iii) Supreme Decree No. 016-2011-SA, which sets out the regulations for the Registration, Control and Health Surveillance of Pharmaceutical Products, Medical Devices and Health Products; (iv) Supreme Decree No. 014-2011-SA, which sets out the regulations on Pharmaceutical Establishments, (v) Act No. 30681 - Act regulating the medicinal and therapeutic use of cannabis and its derivatives, (vi) Supreme Decree No. 004-2023-SA approving the Regulation that governs the medicinal and therapeutic use of cannabis and its derivatives, and (vii) Act No. 32195 – Act on the Agricultural Development of Hemp for Industrial Purposes.

Pursuant to applicable health regulations, to enter the Peruvian market, firstly, a company must (i) be incorporated in Peru before the Public Registry (ii) obtain a health authorization to operate as a pharmaceutical establishment before DIGEMID, and (iii) obtain an operation license before the corresponding District Municipality. Then, it can obtain a marketing authorization for pharmaceutical products, health products and medical devices.

The main types of pharmaceutical establishments are drugstores (commercialization purposes) and laboratories (manufacturing and/or commercialization purposes). Health authorization is a requirement to obtain a license to operate from local governments (municipalities).

The relevant factors within the framework of obtaining the sanitary authorization are the hiring of the services of a technical director and a warehouse.

In most cases, the technical direction will be in charge of a pharmaceutical chemist, but it could be another health professional when the establishment is exclusively engaged in low-risk non-sterile devices or biomedical equipment with controlled technology. The technical director will be professionally responsible for the pharmaceutical establishment before DIGEMID and will ensure

compliance with the quality requirements of products. Therefore, any liability attributed to the director will also affect the owner or legal representative of the establishment, and any liability affecting him/her will also extend to the owner or legal representative of the establishment.

Furthermore, the facilities where the pharmaceutical establishment operate must comply with the requirements or obtain certificates of Good Practices (Manufacturing, Laboratory, Storage, Dispensation, Distribution and Transport, Pharmacovigilance, and/or Pharmaceutical Office Practices), as applicable according to the nature of the facilities. The obtaining the health authorization is subject to prior inspection to verify that the legal requirements are duly met.

Regarding the warehouse, this can be owned or outsourced (hiring the services of a warehouse that has health authorization to operate as a drugstore), and in any case, it must also comply with the health regulations applicable to the nature of the products.

Legal terms for obtaining such permits play an essential role, as in practice they differ from the legal terms established in the regulation. The term for obtaining the health authorization to operate as a pharmaceutical establishment is legally 30 business days; however, in practice this term may last up to two months.

Marketing authorization enables the manufacture, import, storage, distribution, commercialization, promotion, dispensing, sale and use of those products or devices under the terms and conditions of the authorization.

Likewise, the legal terms for obtaining the marketing authorization of products vary according to the type and category of products, but, likewise, it usually takes up to twice as long in practice.

The health authorization for a pharmaceutical establishment has indefinite validity, and it is mandatory to either provide prior notification or obtain authorization for any modification, as applicable. The

marketing authorization of pharmaceutical products and medical devices is valid for five years, and it may be renewed starting one year prior to its expiration. In the case of health products, registration is valid for seven years.

Generic medicines

In May 2024, through Law 32033, the law that guarantees and promotes the access and use of generic medicines in "International Nonproprietary Names" was published, establishing that the sale of medicines in private health facilities must offer medicines in the following order: generic medicines in Joint Statement of Intent (Declaración Conjunta de Intención – DCI), then branded generic medicines and, if these do not exist, innovative medicines, this order being applicable in all sales channels, including virtual or digital ones.

Pharmacies and private pharmacies are required to have available at least 30% of their supply of branded drugs in the generic essential drug alternative of the list of generic essential drugs approved by the Ministry of Health. This obligation is limited to those products that are part of their own branded drug supply (per item).

The Ministry of Health annually approves the list of generic essential drugs in DCI to be offered by pharmacies and private pharmacies.

Cannabis for medicinal and therapeutic use

The informed use, commercialization and pharmacological or artisanal production of cannabis derivatives, with or without cultivation of the cannabis plant, as well as the research and importation of cannabis and its derivatives, exclusively for medicinal and therapeutic purposes, are authorized. Before these activities can be carried out, the following licenses need to be obtained:

- (i) License for scientific research with or without cultivation

- (ii) License for scientific research of cannabis derivatives for clinical trial without cultivation
- (iii) License for scientific research of cannabis derivatives for preclinical study without cultivation
- (iv) License for scientific research with cultivation
- (v) License for importation of cannabis and its derivatives and commercialization of cannabis derivatives to pharmaceutical laboratories and drugstores
- (vi) License for the commercialization of cannabis derivatives to pharmacies, drugstores and pharmacies of health establishments
- (vii) License to produce cannabis derivatives, with or without cultivation
- (viii) License for the artisanal production of cannabis derivatives, with associative cultivation of the plant of the cannabis genus, for medicinal and therapeutic purposes

Further, the following registries were created: (i) registry of natural or legal persons importing and/or marketing and of associations that carry out the activity of artisanal production of cannabis derivatives with associative cultivation of the cannabis plant for medicinal and therapeutic use; (ii) registry of universities and research institutions authorized to study cannabis and its derivatives for medicinal and therapeutic use; (iii) registry of public entities and laboratories duly registered, certified and authorized for production; and (iv) registry of patients users of cannabis and its derivatives for medicinal and therapeutic use.

The competent regulatory authorities are as follows:

- The Ministry of Health, through the DIGEMID, responsible for issuing the production license, import license, commercialization license and license for the artisanal production of cannabis

derivatives with associative cultivation; as well as for carrying out the control and sanitary supervision of pharmaceutical establishments, universities or research institutions and associations, as well as cannabis-derived products. Through the National Institute of Health (Instituto Nacional de Salud or INS), it is responsible for issuing the license for scientific research on cannabis derivatives for non-cultivation clinical trials; for authorizing and regulating the conduct of clinical trials with cannabis derivatives; and for registering human clinical trials and observational design trials.

- The Ministry of Agrarian Development and Irrigation (MIDAGRI), through the General Directorate of Agricultural Development and Agroecology, responsible for authorizing the cannabis agricultural production plan. Through the National Institute of Agricultural Innovation (INIA), it is responsible for scientific research with cultivation, and through the National Service of Agricultural Health (SENASA), it is responsible for the importation or seeds and quarantine post entry.
- The Ministry of the Interior (MINITER), through the Anti-Drug Directorate (DIRANDRO), on compliance with security measures and the physical intangibility of cannabis.
- The regional governments, through the regional health directorates or those that take their place, with respect to the license to import and commercialize and for the artisanal production of cannabis derivatives with associative cultivation, as well as carrying out the control and sanitary supervision of pharmaceutical establishments and associations of cannabis users in its jurisdiction and cannabis-derived products.

The sale and/or dispensation of cannabis derivatives for medicinal use is made after verification in the National Registry of Patients using

cannabis and its derivatives, and by means of a special prescription withheld (when it contains THC equal to or higher than 1%) or a medical prescription withheld (when it contains THC lower than 1% or only CBD), which can only be prescribed by a medical surgeon.

In December 2024, Law 32195, the Law for the Agricultural Development of Hemp for Agricultural and Industrial Use, was published, providing a legal framework for the production and commercialization of industrial hemp and its products. Hemp (also called non-psychoactive cannabis), which contains less than 1% THC, may be used to manufacture food products, cosmetics, textiles and construction materials.

The Ministry of Agrarian Development and Irrigation is responsible for authorizing the activities of production, storage, transportation, and export of hemp.

In the commercialization of derivative products or final products made from hemp, there is an obligation to ensure the lawful origin of the hemp and the traceability of the derivative products.

For its part, the National Agrarian Health Service must apply the current phytosanitary regulations to carry out risk analyses and approve the phytosanitary requirements for the importation of hemp seeds and plants. It must also register and certify hemp crops or seed varieties, as well as approve seed-producing fields established within the national territory.

The regulation of the law by the Ministry of Agrarian Development and Irrigation is still pending.

Industrially processed food and beverages

The competent authority is the Directorate-General for Environmental Health and Food Safety (Dirección General de Salud Ambiental e Inocuidad Alimentaria or DIGESA), an agency from the Vice Ministry

of Public Health under the Ministry of Health, whose objective is to ensure food safety.

The main applicable regulations for industrialized food and beverages are the following: (i) Act No. 26842, the General Health Act; (ii) Supreme Decree No. 007-98-SA, which sets out the Regulations on Food and Beverages Health Surveillance and Control; (iii) Legislative Decree No. 1062 on Food Safety Act; and (iv) Supreme Decree No. 034-2008-AG approving the Regulations on Food Safety Act.

As regards food and beverages, a sanitary registration is required only for industrially processed food and beverages that are commercialized in Peru. "Industrially processed food or beverages" refers to end-products intended for human consumption obtained by physically, chemically or biologically transforming raw materials of plant, animal or mineral origin, and including food additives.

In this regard, no marketing authorization is required for food and beverages in their natural state (either packaged for sale or not, such as grains, fruits, vegetables, meat and eggs), free samples and products donated by foreign entities for charitable purposes.

A marketing authorization is granted on a per-product basis or to a set of products and manufacturers. For these purposes, a "set of products" means products manufactured by the same manufacturer, having the same quality composition of basic ingredients that identifies the set, and including the same food additives.

These marketing authorizations allow the holder to manufacture or import and commercialize the authorized products as they were approved. The holder of the marketing authorization is responsible for the health quality and safety of the products.

Regarding commercialization of food and beverages, it is essential to maintain their conditions as to when the marketing authorization was approved; otherwise, sanctions will apply. In the case of any

modification to the data or conditions of the product, this must be notified in writing at least seven business days before the modification is implemented.

Although companies are not required to obtain a preliminary permit prior to the grant of a marketing authorization for food or beverages (unlike in the respective cases of pharmaceutical products, health products and medical devices), the regulations stipulate that the holder must be a company organized in Peru and have, in the case of micro and small companies, the certification of General Principles of Hygiene of the Codex Alimentarius (PGH) — with the exception of companies that manufacture or prepare high-risk foods and beverages, which must have with the certification of the Official Technical Validation of the HACCP Plan by production line and by manufacturing establishment. If the foreign company is not interested in opening a local branch, marketing authorization may be obtained through a Peruvian distributor.

Currently, it is no longer required to submit the label artwork, including the labeling information, as part of the obtaining of the marketing authorization. It is only required to attach a sworn statement confirming that the labeling complies with the applicable health regulations. The oversight of food and beverage labeling and advertising is the responsibility of the National Institute for the Defense of Competition and the Protection of Intellectual Property.

Nowadays, warning octagons are mandatory on processed foods that exceed the technical parameters for sugar, sodium, saturated fats, and trans fats, and they must comply with the regulation regarding their placement, size, and shape. Oversight of the warning octagons is under the responsibility of INDECOPI.

The legal term for the granting of the marketing authorization is seven business days. In practice, however, it may last up to one to two months.

The marketing authorization is valid for five years, which may be renewed between 60 to seven business days prior to its expiration.



Electromobility

Electromobility

In Peru, the regulation of electromobility is still in its early stages. Although there is a general legal framework aimed at promoting this industry, there is still no specific regulation in the country that provides specific measures for its promotion.

General legal framework

At the beginning of 2000, the government published Law No. 27345, Law for the Promotion of Efficient Energy Use, which declared of national interest the promotion of efficient energy use to ensure energy supply and reduce the negative environmental impact of energy use and consumption.

Seven years later, the government published its regulations, through Supreme Decree No. 053-2007-EM. This supreme decree states that the Ministry of Energy and Mines has the function of promoting orientation and training programs for the efficient use of energy in the means of transportation.

Subsequently, the government published Supreme Decree No. 064-2010-EM, approving the National Energy Policy for the years 2010-

2040. This policy establishes, as one of its objectives, to have the highest efficiency in the production chain and energy use, and to develop an energy sector with minimum environmental impact and low carbon emissions within a sustainable development framework.

Following the adoption of the Paris Agreement under the United Nations Framework Convention on Climate Change, the government published Supreme Decree No. 058-2016-RE, ratifying it. Under this international treaty, Peru committed to reduce its carbon dioxide emissions through the submission of "Nationally Determined Contributions." One of the mechanisms that Peru has proposed to comply with this international commitment is promoting electromobility.

Based on the abovementioned domestic regulations and the international commitment assumed, in 2020, the first regulations related to electromobility were published: Supreme Decree No. 036-2023-EM, which approved the Regulations for the Installation and Operation of Electric Mobility Charging Infrastructure. These regulations do not contain promotional measures for this industry but only contain general provisions on electric vehicle charging. For example, it was established that the battery-charging service for electromobility has a commercial nature, is carried out under competitive conditions, is of public access and is provided nationwide.

In 2022, Supreme Decree No. 003-2022-MINAM was published, declaring a climate emergency of national interest, to urgently execute measures to implement climate action in accordance with the provisions of the Nationally Determined Contributions to the year 2030. One of the measures is a proposal that the government should design mechanisms to promote electromobility with an emphasis on urban transportation. However, to date, these mechanisms have not been approved.

Finally, in 2023, Supreme Decree No. 036-2023-EM was published, which approved the Regulations for the Installation and Operation of

Electric Mobility Charging Infrastructure. This is a technical standard that outlines the guidelines and technical requirements that must be met by facilities for charging electric vehicle batteries.

Customs

To date, we do not have any law that regulates and/or promotes the use of electric and hybrid vehicles. Although Congress is still working on Bill 3203-2022-CR (that will contain the "Law for the promotion and development of green transport and zero emissions at national level"), which has had a favorable opinion since 2024, they have not yet approved it. If approved, this norm could establish guidelines for the incorporation of electric cars into the national market in a more competitive and efficient manner.

There are no special law- or regulation-related tax or customs benefits for those types of vehicles. Nevertheless, as explained below, the general rules applicable upon the importation of vehicles provide special treatment when it comes to some types of hybrid and electrical vehicles.

Finally, below are our comments regarding potential favorable treatments applicable to selective consumption tax (Impuesto Selectivo al Consumo) or excise tax, and customs duties upon sale or importation of vehicles:

Selective consumption tax or excise tax: most vehicles for the transport of people and goods are levied with the excise tax. However, the importation or sale of electric or hybrid vehicles classified under subheadings 8703, 8704 and 87.11 (motorcycles) is not subject to the said tax. Only the importation or sale of used electric or hybrid vehicles classified under those subheadings is subject to a 40% excise tax rate (legal basis: Legislative Decree 821 and Supreme Decree 055-99-EF and amendments).

Customs duties: the importation of all electric (for transporting goods) or mild-hybrid vehicles is not subject to customs duties. However, the importation of hybrid and plug-in hybrid vehicles, including motorcycles, is levied with a customs duty rate of 6% (applied to CIF transactional value) (legal basis: Supreme Decree 404-2021-EF).

VAT: 18%. The VAT upon the importation of goods into Peru is fully applicable upon the importation of hybrid and electrical vehicles.

Peru has signed several Free Trade Agreements (FTA) with its country partners (including the EU, China, the US and Mexico). Those FTAs include preferential customs duty rates for the importation of hybrid, plug-in hybrid, all electric vehicles (tourism cars — less than 10 people), including motorcycles.

The importer of record must fulfill, before customs, the following requirements: (i) negotiation: inclusion of the tariff subheading of the imported vehicle in the FTA; (ii) origin: submission of the certificate of origin that proves the country of origin of the vehicle; and, (iii) direct shipment: submission of documents that prove non-manipulation or transformation of vehicle upon importation during transits, transshipments and/or warehousing in third countries, if applicable.

Each tariff subheading in every FTA has their own rules of origin. Each FTA, depending on the date of its entry into force, will apply a different customs tariff schedule. To identify the correct favorable treatment, there is a correlation of the changes between the subheading inserted in each FTA and the current subheading (HS 2022).

Water Resources



Water resources

General framework

The purpose of the Water Resources Law, Law No. 29338 and its regulation, approved by Supreme Decree No. 001-2010-AG, is to regulate the use and management of water resources, which include inland surface and groundwater, and related assets. According to these norms, water resources are the nation's patrimony, and there is no private property over such resources. In addition, these norms constitute the legal framework for water use rights, regulating the respective administrative procedures.

The use of the water resource to be extracted from a natural source is subject to its availability and must be carried out efficiently. The use of water resources requires, regardless of the productive sector of the project, obtaining a water use right (Water Use License, Water Use Authorization or Water Use Permit) granted by the decentralized bodies of the ANA, after carrying out the corresponding technical studies and in accordance with the procedure established for this purpose.

A Water Use License is a right through which the ANA grants its holder the right to use this natural resource for a specific purpose and in a specific place, for an indefinite period.

A Water Use Authorization is a type of water use right for a determined term, not exceeding two years, through which ANA grants its holder the right to use, annually, an amount of water to exclusively cover the needs derived from or directly related to the execution of studies, execution of works and soil washing. The Water Use Authorization may only be extended once, for a similar term, if the conditions that gave rise to its granting continue to exist.

The Water Use Permit is a document granted by the ANA, at the request of a party, authorizing the use of surface water from surpluses that may temporarily occur during certain times of the year.

In general terms, the regular procedure to obtain a Water Use License (definitive permit) contemplates a series of preclusive stages that the interested party must follow to obtain such a license. The stages are: (i) Authorization for the Execution of Water Use Studies; (ii) Approval of Water Use Studies; (iii) Authorization for the Execution of Water Use Works; and a (v) Water Use License.

In 2024, Supreme Decree No. 001-2024-MIDAGRI, established the procedure for the formalization of water use.

In January 2026, Supreme Decree No. 001-2026-MIDAGRI was issued, extending until January 10th, 2028, the deadline for users who have been using water in a public, peaceful, and continuous manner to apply for the formalization of their water use rights.

This provision applies to both surface and groundwater resources and seeks to facilitate the regularization of thousands of farmers, households, and other economic activities that had not yet obtained formal licenses under the applicable regulatory framework.

This regulatory advancement is particularly relevant as it addresses one of the country's structural challenges: the low level of formalization of water use rights, even though the use of water for irrigation and other purposes is required to be formally registered with the National Water Authority.

Finally, it is important to note that the ANA is the governing body of the National Water Resources Management System, under the authority of MIDAGRI, and is responsible for issuing regulations and establishing procedures for the integrated and multisectoral management of water resources. ANA is present throughout the national territory through decentralized bodies, known as Water Administrative Authorities (AAA). In addition, within the organizational structure of the National Water Authority are the Local Water Administrations (ALAs), which report to the AAAs.



Environment and Climate Change



Environment and Climate Change

Hot topics

During 2025, several environmental regulations were issued to strengthen environmental management, improve oversight, and modernize environmental management instruments.

A relevant topic for 2025 was the approval of the new deadline and conditions for the environmental compliance of activities in the manufacturing industry and domestic trade, along with other measures aimed at promoting sectoral environmental management. Thus, companies in the industry and domestic trade sectors have the opportunity to align their operations with environmental regulations, fostering a more sustainable industry.

Another relevant topic was the approval of the Supervision Regulations of the Agency for Environmental Evaluation and Control (OEFA for its acronym in Spanish), which establishes certain criteria focused on risk prevention and management, as well as the promotion of regulatory compliance in environmental matters.

It is important to highlight that during 2025, various sectors (Culture, Justice, Housing, and Construction) transferred their supervision and enforcement functions to OEFA. Likewise, as of February 2026, the National Environmental Certification Service for Sustainable Investments (SENACE for its acronym in Spanish) will be responsible for reviewing and approving detailed Environmental Impact Studies, including their modifications, for the manufacturing industry and domestic trade sectors.

Legal framework

Environmental legislation essentially comprises the following laws and regulations: (i) the Peruvian Constitution; (ii) the General

Environmental Law, approved by Law No. 28611; (iii) the Law of the National Environmental Impact Assessment System, approved by Law No. 27446, and its Regulations, approved by Supreme Decree No. 019-2009-MINAM; (iv) the Law of the National System of Environmental Evaluation and Control, approved by Law No. 29325; and (v) several sectoral industries regulations.

Environmental institutionalality

Peru has evolved from having an industry environmental system, under which the different industry authorities were competent to certify the environmental impact assessment of the investment projects under their responsibility, as well as to supervise their compliance, to having a "concentrated" model, under which environmental management is centralized in the Ministry of the Environment and its affiliated agencies.

The Ministry of the Environment is responsible for preserving the natural environment and ensuring the sustainable and rational use of natural resources, biodiversity and protected natural areas. It has various specialized technical organizations attached to it, among which is OEFA and SENACE.

OEFA oversees auditing, supervising, controlling and sanctioning environmental activities. To date, the sectors under its jurisdiction are mining (medium and large mining); energy (hydrocarbons and electricity); fishing (industrial fish processing and large-scale aquaculture); agriculture (production and transformation of agricultural, forestry and livestock products and irrigation); manufacturing; internal trade; solid waste infrastructure; and education, among others. The health, defense, sanitation and transportation and communications sectors will be transferred to OEFA in 2026.

SENACE is the entity in charge of reviewing and approving the Detailed Environmental Impact Studies (EIA-d) of investment projects

and their corresponding modifications. To date, SENACE performs its functions in the mining, energy (hydrocarbons and electricity), transportation, solid waste infrastructure and agriculture sectors, manufacturing and internal trade (effective from February 2026).

Due to the concentrated model that currently governs Peru's environmental management, it is expected that both the environmental certification functions as well as those of inspection and sanction of all sectors will gradually and progressively be transferred to SENACE and OEFA, respectively.

Environmental supervision and enforcement

To discourage the commission of illegal conduct, the maximum amount of fines that the OEFA can impose for serious environmental infringements or for actions that generate severe environmental damage is 30,000 UIT, that is, up to PEN 165 million (approximately USD 50 million). However, the maximum fine that can be imposed on a company will be no more than 10% of its gross income on the year prior to the commission of the infraction.

To determine the type of sanction and the amount of the applicable fines, OEFA has established classifications of environmental infractions and a table of sanctions, which vary depending on the industry, as well as a methodology for the calculation of fines, whose objective is to establish the corresponding formulas for calculation.

Additionally, OEFA can issue complementary administrative measures, such as corrective, preventive and precautionary measures, to prevent, reverse or control the effects of the commission of infringing conduct in the environment. Thus, in serious situations, OEFA can order the suspension of activities, the closure of the component involved in the infringement, or the total closure of the facilities, among others. In cases of non-compliance with these administrative measures, OEFA may impose coercive fines until compliance is achieved.

Environmental certification

In accordance with the National Environmental Impact Assessment Law and its regulations, any individual or legal entity that intends to develop an investment project that may have an environmental impact must obtain an environmental certificate issued by the corresponding environmental authority. Essentially, this certificate is a decision by the relevant authority that confirms the project's environmental feasibility.

The activities subject to an environmental certificate are described in the List of Investment Projects subject to the National Environmental Impact Assessment System (SEIA for its acronym in Spanish), included in Exhibit II of the abovementioned regulation, as amended from time to time. Projects are classified into the following categories based on their environmental impact:

- a) **Category I:** Environmental Impact Declaration (DIA) – Environmental assessment that evaluates investment projects that cause minor adverse environmental impacts
- b) **Category II:** Semi-detailed Environmental Impact Assessment (EIA-SD) – Environmental assessment that evaluates investment projects that are expected to cause moderate adverse environmental impacts
- c) **Category III:** Detailed Environmental Impact Assessment (EIA-D) – Environmental assessment that evaluates the investment projects that are expected to cause significant adverse environmental impacts.

Each of these categories corresponds to a different environmental management tool, depending on the impacts caused to the environment. Environmental studies must be prepared by an environmental consultant registered with SENACE.

As mentioned, SENACE is to date the entity in charge of approving the EIA-D (Category III), while the EIA-SD and DIA (Category I and II) are still under the jurisdiction of the corresponding sectors.

Finally, Law No. 30327, Law for the Promotion of Investments for Economic Growth and Sustainable Development, created the Global Environmental Certification procedure. The purpose of this procedure, which is the exclusive responsibility of SENACE and is applicable to the EIA-D, is to progressively include in a single procedure the different authorizations related to the project that are required to commence activities (such as the authorization to use water and/or discharge wastewater, the authorization for deforestation, the sanitary authorization for septic tanks).

Climate change

At the end of 2019, the Peruvian government approved the Regulation of the Law on Climate Change (Decreto Supremo No. 013-2019-MINAM), making a significant milestone in establishing a regulatory framework to mitigate the effects of climate change in the country.

By way of background, in April 2018, Law No. 30754, Law on Climate Change, was approved. This law establishes the general principles, approaches and provisions to coordinate, articulate, design, execute, report, monitor, evaluate and disseminate the public policies for the comprehensive, participatory and transparent management of climate change adaptation and mitigation measures. It also provides that MINAM is responsible for the monitoring and evaluation of the Nationally Determined Contributions (NDCs), which are the concrete actions that each country must establish and implement as part of the global response to climate change. These standards have been approved by the Peruvian government within the United Nations Framework Convention against Climate Change and the Paris Agreement.

The Regulation of the Framework Law on Climate Change seeks to establish a series of mechanisms and guidelines to reduce the country's vulnerability to the effects of climate change, promote investment in sustainable and low-carbon activities, and facilitate compliance with the commitments assumed by the state under the Paris Agreement.

The goals of the regulation are the implementation of measures to adapt and to mitigate climate change, the creation of systems that contribute to the accounting of CO₂ emissions, the reduction of CO₂ emissions as well as the transfers that may take place between countries, and the promotion of private sector participation in the implementation of sustainable and low-carbon projects.

During 2025, Peru strengthened its regulatory framework and climate action, consolidating new rules, legal instruments, and updated mitigation and adaptation targets.

The most relevant developments include the approval of the official list of national climate measures (updated NDCs), guidelines to incorporate climate change considerations into investment projects, new technical guidelines, and the update of targets for 2035.

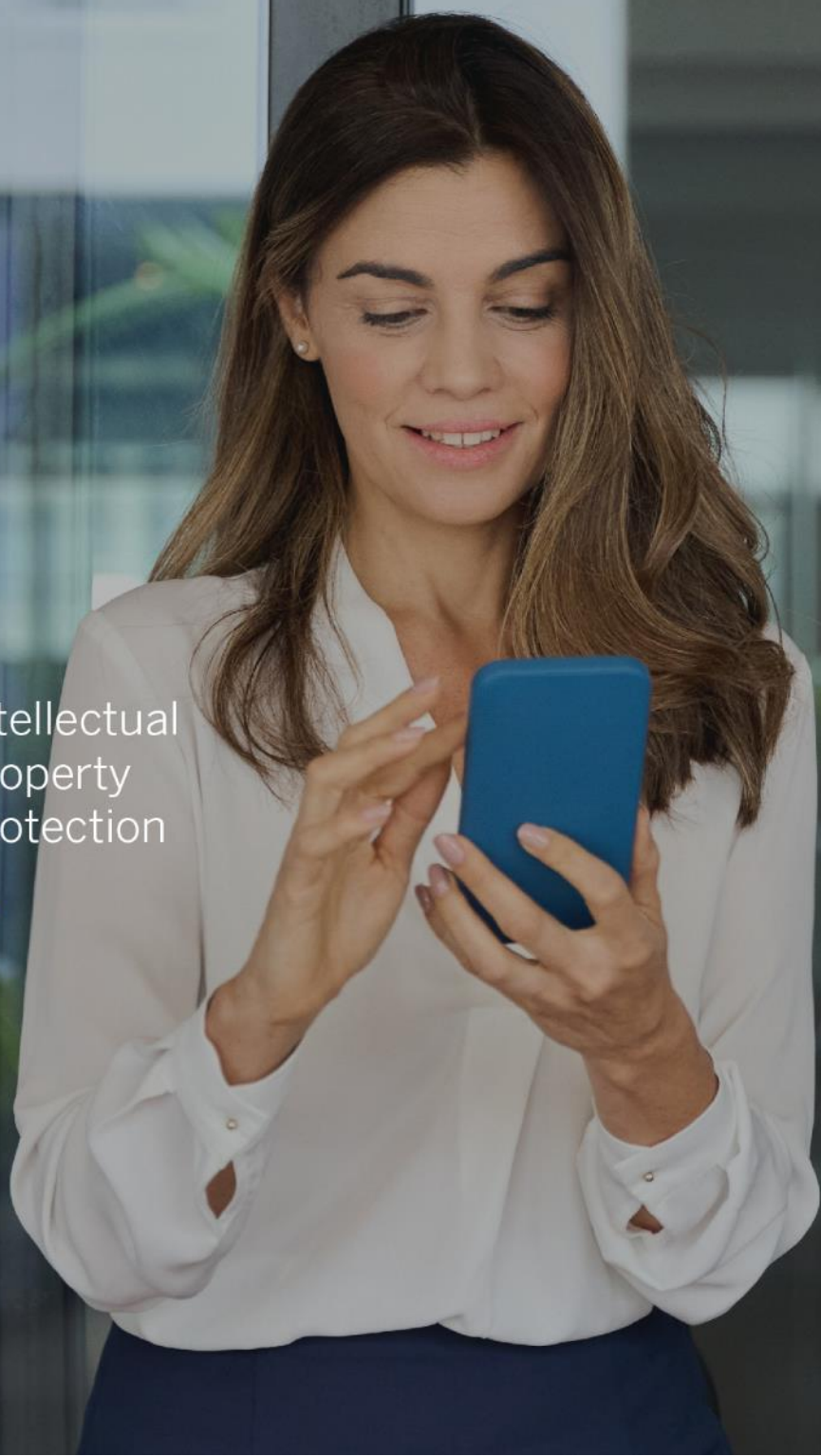
The Official List of Climate Measures (NDC) established 150 climate measures for the country: 84 adaptation measures and 66 mitigation measures. It also integrates all national climate actions into a single regulatory framework, improving transparency and traceability.

These measures cover several sectors and areas. In adaptation, they include actions to strengthen water security, agriculture, forest ecosystems, and fisheries. In mitigation, key initiatives focus on energy efficiency, the promotion of renewable energies, sustainable transport, and improved management of solid waste and wastewater discharges.

At COP30, held in Brazil, Peru presented its new Nationally Determined Contribution (NDC 3.0), setting a main target of not exceeding 179 million tons of CO₂ by 2035. It also incorporated new thematic approaches related to climate-induced migration, green jobs, and loss and damage, aligned with the country's commitment to achieve net-zero emissions by 2050.



Intellectual
Property
Protection



Intellectual Property Protection

Protection regime

In Peru, protection of intellectual property is divided into the protection of industrial property and the protection of copyright.

Industrial property protection applies to all economic activities. All natural or legal persons recognized by the constitution and laws of Peru, whether domiciled in Peru, are entitled to industrial property protection.

The protected components of industrial property are (i) invention patents; (ii) certificates of protection; (iii) utility models; (iv) industrial designs; (v) trade secrets; (vi) layout designs of integrated circuits; (vii) goods and services marks; (viii) collective marks; (viii) certification marks; (ix) trade names; (x) commercial slogans; (xi) appellations of origin; (xii) geographical indications; and (xiii) guaranteed traditional specialties.

Industrial property protection

Industrial property in Peru is governed mainly by the following: the Paris Convention for the Protection of Industrial Property; the Agreement on Related Aspects of Intellectual Property Rights ("**TRIPS**"); the General Inter-American Convention for Trade Mark and Commercial Protection ("**Washington Convention**"); the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration; the Treaty on the Law of Marks; Singapore Treaty on the Law of Trademarks; Decision No. 486 of the Andean Community — Common Intellectual Property Regime; Legislative Decree No. 1075 (which approves complementary provisions to Decision No. 486); Legislative Decree No. 1309 (of the Simplification of Administrative Proceedings in Matters of Intellectual Property followed before the Resolutive Bodies of the National Institute for the Defense of Competition and Protection of Intellectual Property or

INDECOPI); Supreme Decree No. 059-2017-PCM (Regulation of Legislative Decree No. 1075); Legislative Decree No. 1395 (Modifying the Legislative Decree No. 1075); Legislative Decree No. 1092 (approving Border Measures for the Protection of Copyright and Related Rights and Trademark Rights); the Patent Cooperation Treaty Patent (PCT); and Law No. 29316 (which modifies, includes and regulates various provisions to implement the trade promotion agreement signed between Peru and the US).

INDECOPI is the authority in charge of maintaining records and amendments to industrial property registrations and the correct application of related rights.

Patents are granted for inventions, whether products or processes, across all fields of technology, provided the invention is new, involves an inventive step, and has industrial application or applicability. The invention patent has a term of 20 years from the date the application is filed. After the term expires, the invention enters the public domain.

At the applicant's request, the Office of Inventions and New Technologies may extend the patent term if there was unreasonable delay in granting the patent. This extension is not available for pharmaceutical products and procedures.

To be deemed enforceable against third parties, invention patent licenses must be in writing and registered with the Office of Inventions and New Technologies.

Similarly, a patent holder or patent challenger may file any action claiming ownership and compensation to assert a right to the patent.

A utility model is any new form, configuration or arrangement of components of any device, tool, instrument, mechanism or other object, or any part thereof, which allows a better or different operation, use or manufacture of the object incorporating the utility model, or that provides the object usefulness, advantage or technical effect that it did

not previously have. The utility model has a term of 10 years from the date the application is filed. Once the term expires, the utility model enters the public domain. The utility model can also be licensed.

Industrial designs cover any arrangement of lines or combination of colors, or any two- or three-dimensional external shape that is incorporated into an industrial product or handicraft to give it a unique appearance, without altering its function or purpose, and serve as a model or pattern for manufacturing. Industrial design protection has a term of 10 years from the date the application is filed. After the term expires, the industrial design enters the public domain. The industrial design may be transferred or licensed.

Product and service trademarks must be registered with INDECOPI to obtain legal protection. Registration is done according to the International Classification of Goods and Services for the Purposes of the Registration of Marks (i.e., Nice Classification) and can be carried out through a multi-class registration request. Upon completion of the registration procedures, the competent authority issues a certificate that grants the holder exclusive rights to the trademark for 10 years. Owners of registered trademarks may divide their trademark certificates as trademark applicants may also divide their applications.

Registration may be renewed six months prior to expiration and up to six months after the expiration date.

If the owner or a licensee has not used in Peru or in any Andean Community member country a registered trademark for three consecutive years, any person having a legitimate interest in the trademark may apply for its cancellation.

Similarly, the competent authority may, either on its own motion or at the request of an interested party, annul the registration of a trademark if: (i) the trademark does not meet the requirements for registration; (ii) the right to the trademark has been granted contrary to

laws or regulations; or (iii) the registration has been applied in bad faith.

A commercial name does not require registration to be protected. However, an unregistered commercial name is only protected in the geographical area where it is used, and its use shall be proven every time its protection is claimed.

It is possible to claim priority based on an application filed abroad (depending on the country) within six months of its filing for industrial designs and trademarks, and 12 months for patents and utility models.

If its industrial property rights are violated, the holder of an industrial property right may initiate an administrative proceeding before INDECOPI or criminal proceedings before the criminal courts. After the administrative authorities or the criminal court determines that there was a violation, the rights holder may also file a civil lawsuit seeking compensation for damages.

Copyright protection

Copyright protection applies to all intellectual works in the literary and artistic domain, whatever their type, form of expression, merit or purpose. Copyrights are compatible with: (i) existing industrial property rights to the work; and (ii) derivative rights and other intellectual property rights recognized by law. In resolving conflicts, emphasis shall always be placed on what may be most favorable to the author.

Copyright in Peru is governed mainly by the Rome Convention for the Protection of Performers; Producers of Phonograms and Broadcasting Organizations; Decision No. 351 of the Andean Community: Common Regime on Copyright and Related Rights, Law on Copyright (Legislative Decree No. 822) as amended by Legislative Decrees No. 1076 and 1391; Legislative Decree No. 1092 (approving Border Measures for the Protection of Copyright and Related Rights and

Trademark Rights); Law No. 29316 (which modifies, incorporates and regulates various provisions to implement the trade promotion agreement signed between Peru and the United States); and Supreme Decree No. 053-2017 (which approves the Regulation of the National Record of Copyrights and related rights).

As in the case of industrial property rights, INDECOPI is the authority in charge of maintaining records and amendments to copyright and of monitoring the proper use of these rights.

The following are protected under copyright law: (i) literary works expressed in writing through books, magazines, pamphlets or other writings; (ii) literary works expressed orally, such as lectures, speeches and sermons or didactic explanations; (iii) musical compositions with or without words; (iv) dramatic, musical, choreographic, pantomime and performing arts works in general; (v) audiovisual works; (vi) works of plastic arts (including paintings, sketches, engraving and lithography); (vii) architectural works; (viii) photographic works and works expressed by a process analogous to photography; (ix) illustrations, maps, drawings, plans, sketches and plastic works relative to geography, topography, architecture or science; (x) slogans and phrases to the extent that they have a form of literary or artistic expression with original features; (xi) computer programs; (xii) anthologies or compilations of assorted works or expressions of folklore, and databases, provided that such collections are original by reason of the selection, coordination or arrangement of their contents; (xiii) newspaper articles, whether or not on current events, reports, editorials and commentaries; and (xiv) any other product of the intellect in the literary or artistic domain that is characterized by originality and is susceptible to being disclosed or reproduced by any means or process, known or yet to be known.

Copyright recognized in Peru is independent from the ownership of the material in which the work is embodied, and its enjoyment or

exercise is not subject to registration or compliance with any other formality.

Economic rights are granted for the life of the author, and will continue for 70 additional years, wherever the country of origin of the work is.

Economic rights to works may be transferred by mandate or legal presumption, by transfer or mortis causa, or by any means permitted by law.

The owner of a copyright may file an action for infringement, in addition to any civil and/or criminal actions that may arise, against anyone who infringes their rights.

Regarding effective technological measures, the rules currently in force provide that the law penalizes, either administratively or criminally, any unauthorized circumvention of the measures used by copyright holders to protect their works. Further, the law also sanctions the manufacturing, importation, distribution or commercialization of products or components of products designed to circumvent such technological measures. For these purposes, some exceptions to the sanctions imposed for circumvention of effective technological measures have been established.

National legislation has also established the application of border measures to intercept counterfeit and pirated goods when imported, exported or in transit.



Free and Fair
Competition
Protection



Free and Fair Competition Protection

Antitrust and fair competition

To promote economic efficiency for the benefit of consumers, the law prohibits and penalizes anticompetitive behaviors, including: (i) abuse of a dominant position; (ii) horizontal collusion; and (iii) vertical collusion.

Furthermore, all acts of unfair competition that have the effect of preventing the proper functioning of the competitive process are prohibited. An act of unfair competition is one that is objectively contrary to the requirements of good faith in business, rules of good market conduct, and efficiency in a social market economy. Business advertising is also subject to unfair competition rules. Finally, there is an important consumer protection regime.

Merger control

Merger control regime

With the entry into force of Law No. 31112, which establishes a system of prior control of business concentration transactions, and its Regulations, approved by Supreme Decree No. 039-2021-PCM, Peru implemented a general and mandatory merger control regime, applicable across all economic sectors, whether regulated or unregulated.

Under this regime, certain business concentration transactions—including mergers, acquisitions of shares or assets, the formation of joint ventures, and other transactions that entail the acquisition of control or decisive influence, whether direct or indirect, over another undertaking—must be notified to and approved in advance by the Free Competition Commission of INDECOPI, provided the statutory turnover or asset thresholds are met.

The prior-authorization procedure seeks to assess whether the notified transaction may significantly reduce, restrict or distort effective competition in the relevant market. To this end, the authority carries out an economic and legal analysis that includes, among other elements, the definition of relevant markets, market shares and concentration levels, the existence of unilateral or coordinated effects, barriers to entry, and the assessment of potential efficiencies arising from the transaction.

Based on this assessment, the transaction may be cleared unconditionally, cleared subject to commitments or remedies (whether structural or behavioral), or, in exceptional cases, prohibited. The legal framework provides specific mechanisms for the submission, assessment and negotiation of remedies, aimed at restoring effective competitive conditions in the market.

The prior-approval procedure comprises an admissibility stage, followed by two substantive phases of review: an initial phase and, where appropriate, an in-depth investigation phase. The in-depth phase is initiated only if, during the initial phase, the authority identifies potential competition concerns requiring a more detailed analysis. Each stage of the procedure is subject to clearly regulated statutory deadlines, and the absence of a decision within the maximum legal time limit results in the approval of the transaction by positive administrative silence.

The legal framework also addresses other aspects relevant to transactions, including: (i) the authority's power to conduct *ex officio* reviews of certain transactions in the cases provided by law; (ii) the prohibition on implementing a transaction prior to obtaining the required approval, where applicable (gun-jumping); and (iii) the authority's obligation to maintain the confidentiality of the proceedings, subject to legally established exceptions.

Certain economic sectors—such as the financial system, the capital markets, and telecommunications—are subject to sector-specific rules applicable to concentration transactions.

The authority has also issued various guidelines aimed at facilitating the identification of transactions subject to prior approval, the substantive assessment of competitive effects, and the submission of remedies. Finally, the formal and substantive requirements for filing a notification are set out in the forms issued by INDECOPI.



Personal Data
Protection and
Cybersecurity



Personal Data Protection and Cybersecurity

Data protection

The fundamental right to data protection was first introduced in 1993 by the Peruvian Constitution, which states that "(...) information services, computerized or not, public or private, should not release information that affects an individual's privacy and family life."

To guarantee the effective exercise of such right, in 1994 the Habeas Data process was regulated by Law No. 26301.²² Pursuant to the Habeas Data, all individuals are entitled to access, update, cancel or rectify their personal information stored or registered, whether manually, mechanically or by informatics, in files, databases and registries of public or private entities. The Habeas Data is a constitutional process that follows a procedural path for guaranteeing a fundamental right; it is performed before the judiciary, takes time and comes at a considerable cost for most citizens. Consequently, it is difficult to achieve effective protection.

It was not until 2011 that a general framework for data protection applicable to all activities and industries was issued, establishing more expeditious mechanisms for protecting this fundamental right, Law No. 29733, Peruvian Data Protection Law (PDPL), and its regulation approved by Supreme Decree No. 003-2013-JUS. This regulation was later replaced by Supreme Decree No. 016-2024-JUS, which strengthened the data protection system in Peru. The PDPL and its regulation seek to guarantee the protection recognizing specific rights of the data subjects and obligations of those who are responsible for the processing of such data. These norms are supervised and controlled by the National Data Protection Authority, a body that

²² Later replaced by Law No. 28237 — Constitutional Procedural Code.

reports to the Vice-Ministerial Office of Human Rights and Access to Justice of the Ministry of Justice.

The PDPL applies to personal data (defined as any information regarding a person that identifies them or makes them identifiable through reasonable means) contained or intended to be contained in public or private databanks and processed in Peruvian territory.

"Data processing" is defined by the PDPL as any operation or technical proceeding, automated or not, that allows the collection, storage, organization, modification, usage, suppression and transfer, among others, of personal data.

The PDPL and its regulation stated that the PDPL and its complementary norms will be applicable under the following circumstances:

- (i) Data processing is carried out in an establishment located in Peruvian territory that belongs to the holder of the databank ("**Data Controller**").
- (ii) Data processing is carried out by a third party ("**Data Processor**"), regardless of its location, on behalf of a Data Controller established in the Peruvian territory.
- (iii) Neither the Data Controller nor the Data Processor is established in Peruvian territory, but the PDPL applies to them by contractual provisions or international law.
- (iv) The Data Controller is not established in the Peruvian territory, but it uses means located in Peru to process personal data. This includes cases when the Data Controller performs the following:
 - o Activities related to offering goods or services directed to personal data subjects located in the Peruvian territory.

- Activities **intended to analyze** the behavior of personal data owners located in the Peruvian territory, as well as **develop profiles** that seek to predetermine behaviors, preferences, habits or similar characteristics.

The main obligations imposed by the PDPL on Data Controllers include the following:

- (i) Registering with the National Data Protection Authority the database(s) under control
- (ii) Processing personal data only with the prior, express, informed and unequivocal consent of the data subject (except for very exceptional cases)
- (iii) Adopting technical, organizational and legal measures to guarantee the security of data and prevent its alteration, processing or non-authorized access
- (iv) Informing the National Data Protection Authority about any cross-border transfer of information
- (v) Avoiding the collection of data using fraudulent, illegal or unfair means
- (vi) Collecting only the necessary and pertinent data for the purposes informed to the data subjects
- (vii) Allowing the exercise of data subjects' rights to access their information, rectify it or require its elimination
- (viii) Allowing the National Data Protection Authority to access databases and provide the information required in an administrative proceeding
- (ix) Appointing a personal data officer

Noncompliance with the obligations imposed by the PDPL leads to administrative sanctions (fines) being imposed, without prejudice to any civil or criminal liability.

Cibersecurity

Cybersecurity has become a relevant component of corporate risk management and compliance frameworks, as in recent years various legal provisions have been enacted imposing obligations related to the prevention, management and response to events that may compromise the security of information and digital systems.

From a personal data protection perspective, the PDPL and its Regulations require companies to implement appropriate technical, organizational and legal security measures to protect the personal data they process. In addition, where a security incident involving personal data occurs, companies must adopt immediate containment and documentation measures and, in certain cases, notify the National Authority for the Protection of Personal Data and the affected data subjects.

In particular, Article 9 of Emergency Decree No. 007-2020, which approved the Digital Trust Framework, imposes cybersecurity obligations on certain digital service providers and on entities operating relevant digital services or digital infrastructures. These obligations include the management of digital security risks through the adoption of technical, organizational, physical and legal measures; the mandatory notification of any digital security incident to the National Digital Security Center, regardless of whether or not such incident involves personal data; and the establishment of identity-verification mechanisms for users accessing certain digital services, based on the level of risk involved.

Finally, Law No. 30096 (Cybercrime Law) and its subsequent amendments establish the criminal law framework applicable to cybercrimes in Peru, criminalizing, among others, unauthorized

access to computer systems, understood as access without permission to systems or networks; the interference with or disruption of systems, including their alteration, damage or interruption; offences related to the unlawful handling of data, such as the acquisition, use or possession of unlawfully obtained databases; and computer fraud, associated with the manipulation of systems or information for economic gain.



Compliance and Anti-Corruption



Compliance and Anti-Corruption

Compliance and anti-bribery

Fighting against corruption has become a priority for the Peruvian government in the last years.

Corruption among national and foreign public officials is criminalized under the Peruvian Criminal Code. This law prohibits acts of bribery involving both the public official who receives the bribe (passive bribery) and the private citizen who offers the bribe (active bribery). Penalties for active and passive bribery include imprisonment (of up to eight years, depending on the type of bribery), prohibition from being elected or appointed to a public office, and monetary fines.

Traditionally, only individuals (and not legal entities) could be held criminally liable for bribery. However, due to corruption scandals that broke out in recent years, the Peruvian government issued specific measures to tackle this problem more extensively.

One measure was Law No. 30424, which regulates (for the first time in Peruvian law) the criminal liability of companies for active bribery of foreign public officials. Subsequently, through Legislative Decree No. 1352, Law No. 30424 was amended, extending the scope of liability of companies to other crimes, including the crime of corruption of national public officials. Finally, by means of Law No. 30835, Law No. 30424 was amended once again and included collusion (that is, corruption in public procurement) and influence peddling in the catalog of crimes that may generate liability for companies.

According to Law No. 30424, a company is liable for a crime when it is committed on its behalf or for its direct or indirect benefit by its partners, directors, managers, legal representatives and other individuals under the control and supervision of the enterprise. Companies found liable may receive the following penalties: fines of up to six times the illegal benefit obtained or expected to be obtained

with the commission of the crime; prohibition from conducting economic activities; cancellation of licenses and other authorizations; closure of premises; definitive prohibition from participating in government procurement; and dissolution of the company.

However, companies may obtain certain benefits if they implement a "prevention model" or compliance program that includes adequate monitoring and control measures to prevent crimes or to significantly reduce the risk of their commission. If the company implements a compliance program before the commission of a crime, it can be exempted from criminal liability. If the implementation occurs after the commission of the crime, the company can be awarded a reduction of sanctions.

The Capital Markets Authority (Superintendencia del Mercado de Valores de Perú (SMV)) will evaluate the suitability of the implementation and functioning of the prevention model upon the public prosecutor's request. The SMV's report will be analyzed by the public prosecutor, along with other criteria, to determine whether to order the conclusion of the investigation or proceeding.

To be effective, the "prevention model" must include these minimum elements:

- Designation of a person in charge of the prevention function
- Measures for the identification, evaluation and mitigation of risks to prevent crimes
- Implementation of internal complaint proceedings
- Dissemination of information and periodic training on the prevention model
- Continuous evaluation and monitoring of the prevention model

The regulation of Law No. 30424, approved by Supreme Decree No. 002-2019-JUS, develops how each of the minimum elements should

be implemented. Moreover, the SMV has enacted the document "Guidelines for the implementation and functioning of a Prevention Model," which provides a referential list of actions and examples that could be executed for that purpose.

Meanwhile, the government also gave indications of its commitment to fight corruption in business. Through Legislative Decree No. 1385, the crime of private corruption was included in the Peruvian Criminal Code.

It is also relevant to indicate that Peru has adopted Technical Standard ISO 37001:2017 (Anti-Bribery Management Systems) and Technical Standard ISO 37301:2021 (Compliance Management Systems), which guide the implementation of compliance programs, in addition to Technical Standard ISO 37002:2021 (Whistleblowing Management Systems).

Finally, it should be noted that even though the fight against corruption is clearly a priority, to date Law No. 30424 is not limited to regulating the liability of legal entities for corruption offenses. In fact, in addition to the crimes of money laundering and terrorist financing that had already been incorporated into the scope of liability of legal entities through Legislative Decree No. 1352, Law No. 31740 further expanded the scope of such liability to include the offenses of parallel accounting, customs offenses, tax fraud, attacks against archaeological monuments or paleontological sites, among others.



Insolvency Proceedings



Insolvency Proceedings

Legal Framework

When a company is facing financial difficulties, there are several legal alternatives it may consider. One option is to approve its dissolution and liquidation in accordance with the General Corporations Law (LGS). In this scenario, the shareholders retain control of the process, which is conducted privately and without the involvement of any administrative authority. However, if during the liquidation process the company's assets are insufficient to satisfy all outstanding creditors, the liquidator must convene a General Shareholders' Meeting to report this situation and request a judicial declaration of bankruptcy, pursuant to Law No. 27809, the General Insolvency System Law (LGSC), and the Civil Procedure Code.

Alternatively, the company may choose to submit to an insolvency proceeding regulated by the LGSC. These proceedings are designed to create an orderly framework for negotiation between the debtor and its creditors, with the aim of approving a restructuring, refinancing, or liquidation agreement that allows for an orderly exit from the market. Unlike corporate liquidation, insolvency proceedings involve the National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI).

The LGSC provides for two types of insolvency proceedings: ordinary and preventive.

An ordinary insolvency proceeding is initiated when the company is already experiencing an insolvency situation (structural crisis), in accordance with the criteria established under the LGSC. By contrast, a preventive insolvency proceeding is intended for companies facing temporary liquidity issues that seek to take early action and avoid becoming insolvent.

Ordinary Insolvency Proceedings (PCO)

PCO may be initiated at the request of the debtor or its creditors, provided that the objective requirements set forth in the LGSC—related to insolvency or cessation of payments—are met.

If the legal requirements are satisfied, INDECOPI declares the debtor subject to the PCO and publishes the corresponding notice in its Insolvency Newsletter. This insolvency notice also calls on all the debtor's creditors to appear before INDECOPI and request recognition of their credits. Only upon the publication of this notice does the insolvency proceeding become public.

Since INDECOPI published the insolvency notice, the debtor's payment obligations become unenforceable, and its assets are protected against enforcement actions. The debts will become enforceable again later on, under the terms established in the Reorganization Plan or the Liquidation Agreement, as applicable.

If creditors adequately support the existence, origin and amount of their credits, they will obtain formal recognition and acquire the right to participate—with voice and vote—in the debtor's Creditors' Meeting. In addition, INDECOPI will assign one of the following priority rankings applicable in the event of the debtor's liquidation:

- **First:** Labor and pension-related credits
- **Second:** Alimony credits (not applicable to legal entities debtors)
- **Third:** Secured credits that are guaranteed by the debtor's assets, including any precautionary measures.
- **Fourth:** Tax credits
- **Fifth:** Other credits (including the portion of secured credits not covered by the value of the collateral)

Following the completion of the credit recognition stage, INDECOPI will convene the installation of the Creditors' Meeting, in which only those creditors whose claims were duly recognized and submitted on time will have the right to participate.

Once the Creditors' Meeting is installed, the debtor's governing body (the General Shareholders' Meeting or its equivalent) is suspended from its functions, and the Creditors' Meeting assumes authority over matters assigned to it under the insolvency system, including those that under ordinary circumstances would fall within the purview of the debtor's governing body.

The principal decisions to be approved once the Creditors' Meeting is installed include: (i) the election of its authorities; (ii) the decision on the debtor—whether reorganization or liquidation; (iii) the appointment of the administrators or the liquidator, as applicable; and (iv) the approval of the Reorganization Plan or the Liquidation Agreement, as the case may be.

The PCO remains in effect for as long as it takes to complete the payment of rescheduled credits (in the case of reorganization) or until liquidation is concluded (through payment of credits or a judicial declaration of bankruptcy).

In the case of reorganization, INDECOPI will declare the conclusion of the proceeding and the dissolution of the Creditors' Meeting. Consequently, the Shareholders' Meeting will resume its functions.

In the case of liquidation, once all liabilities have been settled, the final liquidation balance sheet will be approved, and the liquidator will request the registration of the debtor's dissolution with the Public Registry of Legal Entities.

In the case of bankruptcy, the process concludes with a judicial ruling and the judge's order to close the judicial proceeding, register the extinction of the debtor's estate, and issue certificates of

uncollectibility for all unpaid creditors. The declaration of extinction of the debtor's estate must be recorded by the liquidator in the Public Registry of Legal Entities.

The LGSC provides that Peruvian courts, upon the request of any creditor or the debtor (acting through its liquidator or administrator), shall declare null and void against creditors, any payment made or transaction carried out by the debtor when: (a) such payment or transaction was made or entered into outside the ordinary course of the debtor's business; (b) such payment or transaction affects the debtor's net worth or the recovery prospects of its creditors; and (c) such payment or transaction was made or entered into within one (1) year prior to the date on which the debtor becomes aware of the insolvency proceeding (whether by filing for insolvency itself or upon receiving notice from INDECOPI that a petition has been filed against it).

In addition, the following transactions carried out by a debtor between the date on which it becomes aware of the insolvency proceeding and the date on which the debtor's Creditors' Meeting ratifies the members of management or appoints new management (or a liquidator) shall be judicially declared null and void as against creditors, at the request of the debtor or any of its creditors: (i) payments made by the debtor before their original due date; (ii) payments made in any manner other than in accordance with the original terms of an agreement; (iii) transactions carried out outside the ordinary course of the debtor's business; (iv) the set off of obligations between the debtor and its creditor; (v) liens created and transfers made by the debtor over its assets; (vi) the granting of security interests for debts incurred prior to such period; (vii) judicial or extrajudicial enforcement actions against the debtor's estate from the date the insolvency notice is published; and (viii) mergers, absorptions, or spin offs that result in a reduction of the debtor's net assets.

Preventive Insolvency Proceedings (PCP)

Preventive Insolvency Proceedings are designed to avert situations of financial distress; therefore, they do not involve the change of control of the debtor (neither of its assets nor of its management). Instead, their purpose is to create a favorable environment for negotiation between the debtor and its creditors. Unlike the structural crisis characteristic of the PCO, only temporary corrective measures are needed to allow the company to overcome the situation.

Accordingly, the debtor may request the start of the PCP as long as it does not meet the requirements that would trigger a PCO. Once the legal requirements are verified, INDECOPI will publish a notice submitting the debtor to the insolvency proceeding in its Insolvency Newsletter.

As from the publication by INDECOPI of the start of the insolvency proceeding, and at the debtor's request, its obligations become unenforceable and its assets are protected against enforcement actions. Such obligations will become enforceable again at a later stage, in accordance with the terms of the Global Refinancing Agreement.

The debtor's creditors may request the recognition of their credits before INDECOPI in order to participate in the Creditors' Meeting. The debtor will then present a Global Refinancing Agreement to its Creditors' Meeting and, regardless of whether the agreement is approved or rejected, the insolvency proceeding will conclude.



International Trade and Customs



International trade and customs

Hot topics

The commercial and customs regulatory framework has maintained the economic model and open trade approach, prioritizing trade facilitation through efficient customs procedures for timely and expeditious cargo clearance. On this basis, in recent years regulatory adjustments have been made in the following areas:

- Related to trade operators: Categories based on an assessment of infringements committed have been established (A, B and C). These categories determine different obligations (e.g., amount of the customs guarantee) and requirements for its operations. Amendments have recently been made to the authority's assessment of this categorization.
- Related to operability: Advance clearance is mandatory for definitive importation. There are different deadlines for submission of transport manifest or discharge merchandise in the territory.
- Related to customs sanctions: New guidelines have been developed for evaluating the internationality (or otherwise) of the behavior, the voluntary disclosure of infringements, and the category of the operator. Also, incentive regimes were eliminated.²³
- Finally, during 2025, changes have been promoted for the full digitalization of the pre-arrival customs process, which is

²³ The issuance of guidelines for the application of facts and circumstances (aggravating and mitigating circumstances regime) in certain customs offenses — subjective approach to customs liability — is still pending.

currently under implementation. Additionally, amendments were made to the General Customs Law to implement the operation of the Port of Chancay, easing certain procedures, transfers, and guarantees.

Furthermore, Peru has implemented the Logistics Platform Law, the Single Trade Window System (VUCE), and Legislative Decree No. 1492, which, along with their regulations, include provisions for the digitization of foreign trade processes in the public and private sectors, which have been updated as previously mentioned.

Meanwhile, maritime cabotage services have also been liberalized, and the elimination of non-tariff trade barriers at the sectoral level has been promoted, through the publication of a new procedure for such complaints before INDECOPI.

Trade openness

By means of Legislative Decree No. 668, the Peruvian government approved a regime to guarantee freedom of domestic and foreign trade. This regime comprises the following:

- Gave economic operators free access to the acquisition, processing and marketing of both final goods and raw materials, as well as provision of services
- Eliminated and prohibited all types of exclusivities, limitation, or any other restriction or monopolistic practices in the production and marketing of goods and services
- Prohibited the imposition of surcharges, tariff quotas or any other charges on the importation of goods, with the sole exception of customs duties and applicable taxes levied on the domestic sale of products

- Annulled all types of licenses, reports, records and certifications for import and export customs operations, and forbade the creation of para-tariff restrictions

Additionally, in accordance with the provisions of the Peruvian Constitution, this legislative decree guarantees the free ownership, use and disposal of foreign currency, as well as the free convertibility of the national currency at a single exchange rate.

Meanwhile, the Peruvian government ensures that the technical regulations and standards are not prepared, adapted and applied with a view or with the effect of creating unnecessary obstacles to trade of any kind, and shall ensure an equivalent treatment between similar domestic and foreign products. This will apply to final goods, raw materials and inputs of any kind, including domestic and foreign trade services.

Moreover, the Ministry of Foreign Trade and Tourism defines, directs, executes, coordinates and supervises foreign trade policies, which in certain cases require coordination with other ministries.

Finally, the Commission on Dumping, Subsidies and Non-Tariff Trade Barriers of INDECOPI (at the request of a party or ex officio) ensures the dismantling of barriers in the import and export of goods that materialized in illegal or unreasonable administrative provisions or actions.²⁴

Authorized Economic Operator (OEA)

The OEA is an international trade operator certified by the customs authority, SUNAT, which has complied with all the conditions and requirements according to the General Customs Law, the OEA

²⁴ In 2021, the Procedure for the Elimination of Non-Tariff Trade Barriers was approved. Ehecopar

Certification Law and related Customs Procedures, and will enjoy benefits before SUNAT.

OEA certification can be obtained by the following types of operators: (i) exporters; (ii) importers; (iii) customs brokers; (iv) customs warehouses; and (v) couriers.

Fulfilling the requirements begins with the presentation of a questionnaire made by SUNAT.

The general requirements are as follows:

- Satisfactory trajectory of compliance with the current standard
- Appropriate accounting system and logistic records that allow traceability of operations
- Financial solvency verification
- Adequate level of security

The general requirements are found in the OEA Certification Regulations approved by Supreme Decree No. 184-2016-EF and the procedure in the General OEA Certification Procedure, approved by Resolution No. 35-2016-SUNAT. The facilities can be found in Annex 1 of the General OEA Certification Procedure.

Finally, the implementation of the OEA 2.0 focused on unblocking barriers in border regulation related to sanitary and phytosanitary matters is in force (DIGESA and SENASA) for importers and/or exporters of restricted goods. To access these flexibilities under OEA 2.0, operators must fulfill additional requirements of a regular OEA program. Further OEA facilities, including other sectors, are being evaluated.

The latest modifications to AEO certification were implemented in 2025, introducing stricter requirements regarding regulatory

compliance, traceability, and security. Within this framework, SUNAT approved version 4 of the AEO certification procedure, strengthening the standards applicable to foreign trade operators, incorporating new eligible operator profiles, and increasing requirements related to risk management, logistics security, and cybersecurity.

Additionally, continuous evaluation obligations were expanded, and new benefits aimed at trade facilitation were introduced. This new procedure will enter into force on January 1, 2026, granting certified operators an adaptation period until January 1, 2027.

Customs procedures

Customs clearance is governed by the General Customs Law²⁵ and its regulations.²⁶ In addition, SUNAT is responsible for controlling the entry or exit and transportation of goods inside the Peruvian customs territory.

In 2022, the General Customs Law was modified through Legislative Decree No. 1433, which modifies the obligations associated with the enforceability of the customs tax obligation and the procedures for the refund of undue or excess payments. In addition, a new special customs regime was incorporated, and the minimum refund amounts were left without effect.

A year later, the Regulations of the General Customs Law were amended, providing several modifications that specify the conditions to be followed by bonded warehouses, freight forwarders and express delivery companies in their operations.

²⁵ Legislative Decree No. 1053, and its amendments (Legislative Decree No. 1235) and Legislative Decree No. 1433.

²⁶ Supreme Decree No. 010-2009-EF and its amendments. The last amendment was under by Supreme Decree No. 367-2019-EF.

It is important to mention that in August 2025, Bill No. 12218 was introduced, proposing a comprehensive reformulation of the General Customs Law. This legislative initiative seeks to modernize the current regulatory framework by incorporating provisions aimed at strengthening transparency, efficiency, and consistency with international customs standards.

Among its main proposals are the flexibilization of clearance modalities, the possibility of filing declarations with any operational customs office, the extension of deadlines in temporary regimes, and a redefinition of the sanctions regime. If approved, these changes could generate significant impacts on the procedures currently in force and on the operations of various foreign trade actors.

On the other hand, the current regulatory framework, customs clearance agents or other persons legally authorized by the customs authority request goods declaration to be submitted under the following customs clearance processes:

- **Advance clearance:**²⁷ This allows the importer to import goods released within a period not greater than 48 hours of their arrival. This procedure requires the electronic arrival of the transportation and the prior filing of a financial guarantee to the customs administration, which could be global (12 months of validity) or specific (three months of validity for one operation) to obtain the release or disposal of the goods, despite of continuing the customs clearance process, and then paying customs duties and taxes on imports. It is mandatory for definitive importation.

²⁷ Legislative Decree No. 1433, which amends the General Customs Law — Legislative Decree No. 1053, established the mandatory application of advance clearance as of 31 December 2019.

- **Delayed clearance:** After the arrival of the imported goods into Peruvian territory, the importer has 15 calendar days from the date of the end of unloading to dispatch the goods under a customs procedure. This is applied under exceptional situations for definitive importation and is used in other customs regimes.
- **Urgent clearance:** This refers to the customs clearance of some goods considered as relief consignments or emergency goods, such as medications. The dispatch can be started 15 days before the arrival of the transportation or seven days after the arrival of the transportation at the destination, according to the term established in its regulation. Customs clearance is necessary for goods to be subject to a customs procedure, which commences upon the submission of a goods declaration to customs authorities.

To commence customs clearance, any customs tax debt and any anti-dumping or countervailing duties, if applicable, must be paid. After that, on the SUNAT website or by electronic notice, the importer may check the assigned channel determining the type of control that will be applicable to the goods for entry into Peruvian territory. This control is assigned randomly and may be any of the following:

- **Green channel:** The goods will not require any document review or any physical inspection.
- **Orange channel:** The goods will only be subject to document review.
- **Red channel:** The goods will be subject to document review and physical inspection.

The import or export clearance of goods that have no commercial value, or that have commercial value but are not significant to the

country's economy, can be processed under any of the following declarations:

- **Simplified import declaration:** In this process, clearance for the import of goods that in quantity, quality, species, use, origin or value, have no commercial purpose, or if they do, are not significant to the country's economy, is facilitated. Simplified declaration is performed under a simplified customs procedure. The maximum amount of goods for which an importer may submit a simplified import declaration is USD 2,000. If it does not exceed the maximum amount, the process can be performed directly by the importer of record.
- **Simplified export declaration:** In this process, the clearance for the final export of goods that in quantity, quality, species, use, origin or value, have no commercial purpose, or if they do, are not significant to the country's economy, is facilitated. This clearance is processed under a simplified declaration. The maximum amount of goods for which an exporter may submit a simplified export declaration is USD 5,000. If it does not exceed the maximum amount, the process can be performed directly by the exporter of record.

Tariff classification

Peru's tariff schedule is based on the nomenclature of the Harmonized Commodity Description and Coding System (HS) developed by the World Customs Organization (WCO). The seventh amendment to this system was approved in 2022 by Supreme Decree No. 404-2021-EF.

Determining the correct tariff classification of the merchandise upon importation into Peru is a key issue. Consequently, the importer could be sanctioned for any tariff classification mistakes committed. The tariff classification of the merchandise determines the customs duty and applicable taxes upon importation, as well as whether any non-tariff requirements apply. It also identifies the applicable rule of origin

under the free trade agreements signed by Peru to qualify for a preferential duty treatment.

Under this tariff schedule, merchandise is identified by a 10-digit tariff number called the national subheading tariff. The subheading tariffs make up the Common Tariff Nomenclature of the Member Countries of the Andean Community (NANDINA), approved by the Commission of the Andean Community (CAN), which incorporates the various amendments to the HS, as seen in the table below:

Digits					Denomination
1° 2°					Chapter
1° 2°	3° 4°				Harmonized Tariff System
1° 2°	3° 4°	5° 6°			Harmonized Sub Tariff System
1° 2°	3° 4°	5° 6°	7° 8°		Sub Tariff NANDINA
1° 2°	3° 4°	5° 6°	7° 8°	9° 10°	Domestic Sub Tariff

The Most Favored Nation (MFN) tariff that is commonly applied in Peru is 3.2%, one of the lowest rates in the continent. Peru's tariff schedule comprises three rates: 0%, 6% and 11%, excluding tariffs that might apply because of the price band. The percentage of lines with a zero rate (0%) is 55.9%. Raw materials and consumer goods receive more protection than semi-processed or finished products.

Customs and administrative sanctions

The General Customs Law and its regulations govern customs infractions and their respective sanctions, which are classified as fines and administrative sanctions, as follows: (i) suspension; (ii) cancellation; and (iii) disablement.

The importer may use a regime that will allow them to cancel tax debt with preferences. In addition, the customs legal framework establishes voluntary disclosure programs and gradual payment of the tax debt as incentives.

The application of penalties by SUNAT will be determined objectively, and in some cases subjectively, and a regime of reduction of pecuniary penalties for facts and circumstances is about to be implemented.

The new table of customs sanctions is grouped according to the type and severity of the infraction (authorizations, manifest, declaration, information, customs control and security). A mitigating regime is implemented for certain customs infringements.

Customs valuation

Customs valuation is a procedure that determines the customs value of imported goods. The mentioned valuation procedure must be done according to the methods established in the Valuation Agreement of the WTO, which are applied mutually exclusively in the following order:

- **First method:** Transaction value of imported goods
- **Second method:** Transaction value of identical goods
- **Third method:** Transaction value of similar goods
- **Fourth method:** Deductive method

- **Fifth method:** Computed value method
- **Sixth method:** Full-back method

In 2023, modifications were made to the national customs valuation procedure. Among the main changes are: (i) the inclusion of Value Studies as a document containing reference prices, which may be used to verify the declared value, especially for the application of the sixth method; (ii) the grounds for the generation of reasonable doubt are delimited; and (iii) accounting documents are given a predominant role to support the customs value as of the first valuation method.

Conditions to import and export

Owners, consignees and consignors must obtain a valid single taxpayers' registration number (RUC) before they can carry out trade operations, such as importation and exportation. Peruvian natural persons can import and export goods using a national identity document, and foreigners, using a foreign identity card, passport or safe conduct. Simplified customs clearances are allowed according to the amount of the transaction and require simplified documentation. Under the normal clearances, the main documents required by the administration for the definitive importation of goods into Peruvian territory are as follows:

- (i) Customs declaration form (DAM)
- (ii) Commercial invoice, or any other equivalent document
- (iii) Transport document (bill of lading or air waybill, depending on the mode of transport)
- (iv) Insurance, if applicable

It is worth noting that when goods are considered restricted, customs will request other documents such as permits, authorizations or registries issued by the competent authorities. In exceptional cases,

the import of certain goods may be prohibited for security or public health reasons (e.g., some animals, medicines and agrochemicals, second-hand goods, second-hand clothing, etc.).

Furthermore, each customs regime governed by the General Customs Law requires a different list of required documents for importation.

As a rule, imports are levied with the payment of custom duties (ad valorem CIF), VAT (IGV in Peru), municipal tax (IPM) and luxury tax (ISC). Other taxes are also applied, especially to agricultural goods. Finally, VAT perception is also applied to certain importations.

Meanwhile, the main documents required by the administration for the definitive export of goods out of the country are as follows:

- (i) Customs declaration of goods
- (ii) Transport document, depending on the mode of transport
- (iii) Invoice, document of the participant, operator or ballot sale, or any other proof of transfer of goods to a customer domiciled abroad; or affidavit of value and description of goods where there is no sale
- (iv) A document testifying to the power vested in the customs clearance agent, i.e. transport document duly endorsed, or special power of attorney
- (v) Any other document required for export due to the nature of the goods

Definitive exports are not subject to customs duties or any taxes, including VAT and ISC.

Customs regimes

The Customs Law sets out several procedures and customs operations applicable to goods that enter or leave the country. The main customs regimes are as follows:

- a) **Importation for consumption regime:** This is the most common type of customs regime and involves the definitive entry of foreign goods into Peruvian customs territory for the purpose of being consumed in the country. The entry of goods into Peru is made after paying customs duties and applicable taxes, if any, and complying with any formalities and other customs obligations, if applicable. Foreign goods shall be considered nationalized when clearance is granted by the customs authority.
- b) **Definitive exportation regime:** This customs regime enables the exit of national or nationalized goods from Peruvian customs territory to be used or consumed abroad. It is not subject to any taxes. Goods shall be shipped within a time limit equal to or greater than 30 calendar days²⁸ as from the day following the submission of the customs declaration. The regularization of this customs regime will be carried out within a period of 30 calendar days from the day following the shipping date of term, in accordance with its regulations.

The law also sets forth customs procedures for export promotion, such as the following:

- a) **Drawback regime:** This allows for the full or partial recovery of customs duties levied on imported inputs that have been incorporated into exported goods or that were consumed during

²⁸ Article 61 of Legislative Decree No. 1433, which amends the General Customs Law — Legislative Decree No. 1053, establishes that the regulations may establish longer periods for the regularization of the regime in special cases.

their production. In this regime, the beneficiary can get a refund repayment of 4% of the Free on Board (FOB) value (Incoterm 2010) of exported goods, provided that some requirements are met. For example, the value of the imported inputs may not surpass 50% of the exported good's FOB value. The recovery rate is 3%.

- b) **Temporary importation for outward processing regime:** This regime allows the import of certain goods to the customs territory after paying the customs duty, which is equivalent to the customs duties and other applicable taxes on imported inputs, if these are transformed or manufactured and materially incorporated into export goods that will be exported within 24 months after their entry. In addition, goods used directly in the production process, such as catalysts, accelerators or retarders, which are consumed during the process, may be subject to this customs regime and liabilities, and to the fulfillment of the customs formalities.
- c) **Reposition of merchandise in franchise tariff regime:** This regime allows for the importation — without payment of customs duties and applicable taxes on imports — of goods equivalent to nationalized goods that have been transformed, processed or physically incorporated into definitively exported products.

The imported goods under replenishment are freely available. However, if these have been used for the exported product's manufacture, they will benefit from the reposition of merchandise in a franchise tariff. To apply for this customs regime, the export declaration must be submitted within one year of the day following the customs clearance upon importation that underpins the entry of goods to be replaced. The importation for the consumption of franchised goods shall be submitted within one year of the day following the date of issue of the duty-free replenishment certificate.

Other important regimes are as follows:

- a) **Temporary admission of goods for re-export in the same condition regime:** Formerly known as temporary importation, this regime allows for the entry of certain goods, with the suspension of payment of customs duties and applicable taxes on imports, provided they are identifiable and designed to meet a specific purpose in a specific place, to be re-exported without any modification whatsoever in their nature, within a period not exceeding 18 months (for the packaging of export goods, an additional six-month period may be requested).
- b) **Customs warehouse:** This customs regime allows for the storage of goods arriving at a customs territory in a customs warehouse facility for such purpose for a certain time limit (12 months) and under customs control, free from customs duties and other taxes applicable to importation for household use, if they have not been abandoned or claimed for any customs procedure. Deposited goods may be totally or partially designated for importation, for the purpose of household use, reshipment, temporary admission for re-exportation in the same condition, or temporary admission for inward processing.

Multilateral agreements on trade and integration

Peru is a founding member of the World Trade Organization (WTO). Consequently, the WTO rules on antidumping, subsidies and countervailing measures, as well as on the liberalization of markets, technical barriers to trade, among others, are applicable in the country.

Similarly, Peru is currently a member of CAN, whose other members are Bolivia, Colombia and Ecuador. Additionally, it is a party to the

Andean Community, along with the following states: Argentina, Brazil, Chile,²⁹ Paraguay and Uruguay.

Following the relief program, as agreed within the Andean Community, the trade of goods between Bolivia, Colombia, Ecuador and Peru enjoys total tariff relief, constituting a free trade area.³⁰ Peru joined the program according to a relief schedule established by Decision 414 of the Andean Community.

Peru is also a party to MERCOSUR, an agreement between countries in South America. The agreement has been entered into by Argentina, Brazil, Paraguay, Uruguay, Chile, Ecuador, Colombia and Bolivia.

Peru has signed agreements with other countries in Latin America, under the rules of the Latin American Integration Association (ALADI), and has entered into trade agreements with MERCOSUR, together with other members of the Andean Community.

In addition, Peru has executed investment protection agreements that are currently in force, either in the form of a bilateral investment agreement or through an investment protection chapter contained in a free trade agreement (FTA). The most important investment treaties executed by Peru are with the following jurisdictions:

- | | | |
|---------------|--------------------|--------------|
| 1. Germany | 15. United States* | 28. Panama* |
| 2. Argentina | 16. Finland | 29. Paraguay |
| 3. Australia* | 17. France | 30. Portugal |
| 4. Belgium | 18. Honduras* | 31. UK |
| 5. Bolivia | 19. Italy | |

²⁹ On 20 September 2006, Chile formalized its entry as party to this sub-regional agreement.

³⁰ From January 2009, Ecuador has implemented safeguards for certain products.

6.	Canada*	20.	Iceland*	32.	Czech Republic.
7.	Chile *	21.	Japan*		
8.	Colombia	22.	Liechtenstein*	33.	China*
9.	Costa Rica*	23.	Luxembourg	34.	Republic of Korea*
10.	Cuba*	24.	Malaysia	35.	Romania
11.	Denmark	25.	Mexico*	36.	Sweden*
12.	Ecuador	26.	Norway*	37.	Singapore*
13.	El Salvador	27.	Netherlands	38.	*Switzerland
14.	Spain			39.	Thailand*
				40.	Venezuela*

The countries marked with an asterisk have an investment chapter in an FTA entered with Peru.³¹

Listed below are Peru's current FTAs with its business partners:

- MERCOSUR (since 2 January 2006)
- United States of America (since 1 February 2009)
- Chile (since 1 March 2009)
- Canada (since 1 August 2009)
- Cuba (since 5 October 2000)

³¹ Peru has executed a trade agreement with the European Union that includes an investment chapter with member countries of the agreement.

- Singapore (since 1 August 2009)
- People's Republic of China (since 1 March 2010)
- European Free Trade Association (EFTA) (Norway, Liechtenstein and Switzerland since 1 July 2011; Iceland since 1 October 2011)
- South Korea (since 1 August 2011)
- Thailand (since 31 December 2011)
- Mexico (since 1 February 2012)
- Japan (since 1 March 2012)
- Panama (since 1 May 2012)
- European Union (since 1 March 2013)
- Costa Rica (since 1 June 2013)
- Venezuela (since 1 August 2013)
- Pacific Alliance Agreement (since 1 May 2016)
- Honduras (since 1 January 2017)
- Australia (since 11 February 2020)
- United Kingdom (since 13 December 2020)³²

³² On 31 December 2020, the Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and Peru entered into force, incorporating by reference the Trade Agreement with the European Union, to ensure the operability of the new Agreement and the continuity of the trade relationship between both parties because of Brexit.

- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) (since 19 September 2021)

The main areas covered by the abovementioned trade agreements are customs affairs and trade facilitation; technical barriers to trade; sanitary and phytosanitary measures; trade protection; services, establishments and capital movement; public procurement; intellectual property; competition; dispute resolution, horizontal and institutional affairs; trade and sustainable development; and technical assistance and skills building.

Negotiations with Guatemala and Brazil, and amendments for that with the Pacific Alliance are finished, but these treaties are not yet in force.

In 2024, within the framework of the annual meetings of the Asia-Pacific Economic Cooperation Forum (APEC), Peru strengthened its integration with Asia through agreements with Hong Kong, China and Indonesia.

Thus, Peru signed an FTA with Hong Kong, in addition to optimizing 12 chapters of its FTA with China and closing negotiations of the Comprehensive Economic Partnership Agreement (CEPA) with Indonesia. These new agreements and modifications are pending entry into force.

Likewise, throughout 2025, Peru has continued strengthening its trade-liberalization policy through significant progress in its negotiation agenda.

Among the most important milestones of the year are: (i) the final phase of the internal approval process for the entry into force of the Optimization of the FTA with China; (ii) substantial progress toward the conclusion of a comprehensive FTA with Thailand; (iii) the launch of formal negotiations with the United Arab Emirates, which would constitute Peru's first agreement with a Middle Eastern country; and,

(iv) the entry into force of the Pacific Alliance–Singapore Agreement, consolidating Singapore as an Associated State.

An agreement has also been reached with China and Hong Kong allowing Hong Kong to issue non-manipulation certificates for transshipment, transit, or storage operations involving goods originating in China and exported to Peru, facilitating the application of tariff preferences with that trading partner.

These developments reflect Peru's continued strategy to deepen its international economic integration and diversify its export markets.

Finally, treaties with El Salvador, India and Türkiye (Trade in Services Agreement or TISA) and the Doha Development Program are still under negotiation.



Frequently Asked Questions

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1. **What guarantees does the legal framework recognize for investors, whether domestic or foreign?**
 - The right to have contractual terms that cannot be modified by laws or other provisions of any kind
 - Free access to all productive sectors
 - The right to nondiscrimination between Peruvians and foreigners, or between private and public companies
 - The right to receive all the profits or dividends to which they are entitled
 - The right to use a more favorable exchange rate available in the exchange market
 - The right to subscribe to legal stability agreements with the state

2. **What are the specific guarantees in favor of the foreign investor?**
 - The right to the remittance of profits and capital using the most favorable exchange rate available in the exchange market
 - Free availability of foreign exchange

3. Are there investment stability agreements?

Yes. Investors and companies receiving investment can sign legal stability agreements with the state, which will stabilize, among others, the income tax regime.

In relation to foreign investors, the stabilization also includes the right to the free availability of foreign exchange and the right to freely remit profits, dividends and capital.

4. What is the advantage of having a legal stability agreement?

This is a legal contract that cannot be changed unilaterally by the state, even if new laws on foreign investment are enacted.

5. Are there limits to foreign investment in Peru?

There is a limitation in the Peruvian Constitution, which is that foreigners cannot own or possess assets located in the areas within 50 kilometers of the Peruvian border. There may be some exceptions to this, but only with express authorization by supreme decree.

In addition, there are limits or restrictions in certain strategic sectors, such as marine transportation, security and the manufacture of weapons for armed use.

6. Are there limits to remit profits abroad or repatriate the capital invested?

No. A foreign investor may remit profits and capital at any time.

7. Is it possible to waive the legal stability agreements?

Yes. In this case, the investor will be governed by ordinary law.

8. Is there a deadline to meet the committed investment in legal stability agreements?

Yes. The general rule is that the term is two years from the signing of the agreement.

In the case of state concessions to develop public infrastructure and public services, the deadlines and requirements of the investment referred to in the respective concession contracts will be applied, and not the general two-year term.

9. Are there restrictions on hiring foreigners?

Foreign workers are subject to the same legislation as Peruvian workers. Foreign personnel may be hired in a proportion of up to 20% of the total number of workers, and the total amount of remuneration of foreign personnel may not exceed 30% of the total payroll. Foreign workers are required to obtain a work visa from the immigration authority to work in Peru.

10. Is there a merger control regime?

With the entry into force in June 2021 of Law N° 31112 and its Regulations, approved by Supreme Decree N° 039-2021-PCM, a general merger control regime applicable to all economic sectors and markets was established. This legal framework provides that certain business transactions exceeding the established thresholds will be subject to prior approval of the Commission for the Defense of Free Competition of INDECOPI.

11. Is intellectual property protected?

Patents, marks, geographical indications (including appellations of origin), copyright and related rights, and other elements of intellectual property are protected in Peru by various treaties and international conventions on the subject, as well as by the Andean Community and national legislation. Intellectual property rights are registered in Peru at INDECOPI.

12. Are there Double Taxation Agreements?

Peru has executed double taxation avoidance agreements with Brazil, Canada, Chile, Korea, Mexico, Portugal, Japan, and Switzerland, as well as with the member countries of the Andean Community (Bolivia, Colombia, and Ecuador), all of which are currently in force

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