

**Economic & Commercial Report for the week ending 23<sup>rd</sup> June 2017**

**Peru signs Framework Agreement for International Solar Alliance and Agreements on New and Renewable Energy with India**

On June 21st, during the 1<sup>st</sup> Joint Commission Meeting between India and Peru, Peru signed the Framework Agreement to be part of the International Solar Alliance promoted by the Government of India. This Partnership will enable cooperation between the industrialized countries that have technologies and sources of funding and the developing countries.

Also, India and Peru signed a Cooperation Agreement on New and Renewable Energy. The objective of this Agreement is to establish the basis for a cooperative institutional relationship to encourage and promote bilateral technical cooperation on new and renewable energy on the basis of mutual benefit, equality and reciprocity.

**News analysis related to Trade**

i. **Peru among LatAm's most attractive investment destinations** (*Andina : 22/06/2017*) - Peruvian economy remains sound and continues to position itself as one of the most attractive Latin American investment destinations, Oxford Business Group (OBG) affirmed. In its latest study "The Report: Peru 2017," OBG underlines the role of Peru's mining output growth, as well as its relative and virtually unmatched economic stability, in facing unexpected challenges. In this sense, OBG notes Peru's mining, energy, health, transport, tourism, among other sectors, offer interesting investment opportunities despite weakened positive growth prospects in the wake of recent "Coastal El Niño" and Lava Jato scandal shocks.

ii. **Peru promotes investment, trade and tourism in India** (*Andina : 22/06/2017*) - As part of investment, trade and tourism promotion efforts, Peru's Embassy in India recently organized "India-Latin America & Caribbean Partnership Conclave on Trade and Investment," the Foreign Affairs Ministry informed. The activity was developed in coordination with Latin American and Caribbean Diplomatic Missions and Trade Offices in association with the All India Association of Industries (AIAI) and GRULAC-India. The event served to present Peru's business opportunities in the said fields to Indian Government authorities, business representatives and investors. It must be noted that Peru-India bilateral trade exceeded US\$1.7 billion in 2016.

**Bolivia:**

iii. **Trade deficit exceeds US \$ 500 million** (*El Deber : 21/06/2017*) - Víctor Hugo Figueroa, former president of the Bolivian Economists' Association, said that the trade deficit is a result of the international crisis in the price of oil that caused natural gas to be sold at a lower cost. The other factor was that for different reasons the demand of the energy, especially by Brazil, decreased, which generated lower income to the country. Figueroa noted that the category of industrial inputs is the one that predominates with US \$ 864.5 million, in imports made by the country in the first four months of 2017, which is a sign that the productive sector seeks to improve its performance.

iv. **India expresses interest in cooperating and creating a "strong alliance" with Bolivia in the field of defense and information technology** (*Los Tiempos: 17/06/2017*) - Head of Chancery, Arup Kumar Saha said on Saturday his country's intention to create a "strong alliance" with Bolivia in information technology and to cooperate on defense matters. "We can create a strong alliance with Bolivia, starting with information technology in the country, and with Government to Government agreement can focus in the area of defense, where India can help in many ways to Bolivia" he said. In his opinion, Bolivia and India are two countries with good friendly relationship, which helped to implement solar projects in the country, as in Sucre and Tiahuanaco

(La Paz). On the other hand, he also said that India is trying to run a project on water deepwells for the benefit of the cattle farmers of Beni, with the aim of helping in agriculture.

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