Agriculture Mechanization IN PERU

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The agricultural sector represents 6% of the GDP (9% of total exports) and employ 30% of the Active Economic Population (AEP).

Peru has 2.57 million hectares under irrigation.

In 2015, agro exports in Peru totaled US$ 5,285 million.
2021 Objective

PERU: Total Agro Exports 2000 - 2021
(Million USD)

GDP growth over 5% per year
Development Strategy

Improve producers incomes through a better assessment of their supply and production efficiency.

Increase value of Peruvian supply: market development, reduce the intermediation, avoid over supply of markets.

Productive efficiency: technification of crops, technical assistance, financing.
Mechanization in Peru

Between 1947 and 2007 Peru had 10 public institutions that provided mechanization services for small farmers.

1947- 1969: Por intermedio de la Sociedad Nacional Agraria y sus Estaciones Experimentales;
1943-1960: El Servicio Cooperativo Interamericano de Producción de Alimentos – SCIPA;
1971-1978: El Servicio Nacional de Maquinaria Agrícola – EPSA, SENAMA;
According to FAO, the Mechanization Index for Peru should be: 1.0-1.5 hp-bt/ha

Our 2.27 million hectares under irrigation require about 42 thousand tractors. (Considering an average power per tractor of 60 hp-bt)
Use of Tractors in Agricultural Activities

From a total of (2,213,506) farm units, only 23% (503,158 farmers), use tractors. (CENAGRO 2,012).

Depending on the region, in the coast 52% of farmers use tractors; in the Andes 22% and in the Amazon 4%.

In the coast, agricultural machinery is basically used in sugar cane crops, and horticulture and fruticulture exports.

In the Andes is used mainly in the cultivation of potatoes.
Importation of Farm Machinery

The peruvian productive system is migrating in the last years from a traditional agriculture to a mechanized system, fundamentally in the agro export sector and in the large sugar operations.

**PERU: Importations of Tractors for Agricultural Production**

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Fuente: Superintendencia Nacional de Administración Tributaria SUNAT
Elaboración: MINAGRI Oficina de Estudios Económicos y DGA
Our Challenges

It is necessary to promote mechanization of agricultural work that increases productivity and solves the lack of man power in some regions.

In some crops the implementation of direct seeding and zero tillage (i.e. grains) is necessary.

It is necessary to develop mechanization service platforms for small farmers.
Opportunities

There is a substantial potential to provide mechanization services for small farmers:

- Plantation and harvest of rice (380,000 Has)
- Plantation and harvest of quinoa (80,000 Has)
- Plantation and harvest of cotton (25,000 Has)
Public Policy

Financial Incentives: the Ministry of Agriculture will use an AGROPERU fund to facilitate medium-term finance to acquire machinery.

Tax Incentives: The importation of agricultural machinery is free of import duties. In addition, the Agricultural Promotion Law allows the anticipated recovery of the sales taxes.

Increase of agricultural area. The new irrigation projects (Chavimochic III and Majes II) will add 100 thousand new hectares in 100% technified crops.
Thank you