

India shares discussion paper ahead of trade talks with Peru

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Ahead of the next round of trade talks, India has shared a non-paper or a discussion paper with Peru, highlighting key asks and pointing out 'sensitive' sectors that it may want to protect, a person aware of the matter said.

The eighth round of negotiation between India and the Latin American nation will take place in Peru in July-end.

"The idea behind sharing the non-paper is to get clarity and direction. It will also ensure that negotiations are not unnecessarily prolonged," the person cited above told *Business Standard*. Thereafter, offer lists on goods and services for the trade deal will also be shared soon.

Negotiations for the India-Peru

Trade Agreement began in 2017 and the fifth round was concluded in August 2019. However, the negotiations came to a pause due to the Covid-19 pandemic. Talks between both nations resumed last February.

Peru is the fourth largest export destination for India in the Latin America and Caribbean region, after Brazil and Chile. Focus on a trade agreement with Peru comes at a time when India has been trying to diversify its exports in terms of products as well as region. It is also a part of a strategy to strengthen economic ties with Latin American nations.

Bilateral trade between India and Peru stood at \$5.9 billion in 2024-25. Key Indian exports to Peru include cars, cotton yarn, and pharmaceuticals, while Peru primarily exports gold, copper ores, and concentrates to India. Both countries are keen on

building their existing ties and expanding to new areas such as critical minerals and mining, considering that the Latin American nation is a key producer of copper, gold, and silver. A report released by the Confederation of Indian Industry in April stated that the discovery of substantial lithium reserves in Peru in November 2023 positions the country as an important player in the global lithium market.

"Peru can play a pivotal role in reducing India's dependence on import of lithium from Asian countries, leading to greater diversification in sourcing inputs for Advanced Chemistry Cells (ACCs) manufacturing. Cooperation in joint mining of critical minerals will aid downstream industries in the broader EV manufacturing sectors of India and Peru," the report said.