



Overall performance

Peru has prioritised infrastructure investment, creating a plan to attract the necessary investment to fund its infrastructure projects and close the infrastructure gap. Peru's regulatory environment supports the creation of businesses promoting competition and investment. Despite a resilient financial sector, the impact of the COVID-19 pandemic, low GDP growth and lack of liquidity in the capital market may hinder Peru's ability to attract capital and deliver infrastructure projects.

Drivers	Rank (/16)	Rank change (2017-20)	Score (/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	69	↓ 1	34					
Regulatory frameworks	36	↓ 3	61					
Permits	45	↓ 1	68					
Planning	11	↓ 1	97					
Procurement	52	↓ 19	65					
Activity	17	↓ 13	48					
Funding capacity	32	—	41					
Financial markets	50	↑ 3	28					

Peru at a glance

\$7,047
GDP per capita
(USD, 2019)

32.5 million
Population
(2019)

4.8% of GDP
Infrastructure investment
(2019 estimate)

0.9% of GDP
Infrastructure gap
(2019 estimate)

62.3
Infrastructure quality
(0-100, 100 is best, 2019)

\$1,643 million
Private infrastructure investment
(5-year average, USD, 2019)

Top performing metrics



91.5/100

Registering property

According to the World Bank, it takes 9.5 days to register a property in Peru, which is lower than the Upper Middle Income Countries average of 21.7 days. As infrastructure projects often involve property rights, the shorter the time to register properties, the less cost and risk to the project.



90.1/100

Financial stability

Peru has become more financially stable and ranks slightly above the Upper Middle Income Countries' average of 88.6. The stability is driven by strong capital buffers and profitability of the banking sector. The COVID-19 pandemic may test this resilience.



81.1/100

Cost to start a business

According to the World Bank, it costs 9.4% of income per capita to start a business in Peru, slightly lower than the Upper Middle Income Countries average of 11%, easing the entry of new firms.

Opportunities to grow



No

Post-completion reviews

Peru does not undertake post-completion reviews for infrastructure projects. The implementation of post-completion reviews could help determine whether projects have achieved their objectives efficiently and identify areas for improvement.



0.9/100

Stocks traded

At 1% of GDP, Peru's value of stocks traded is far lower than the Upper Middle Income Countries' average of 26%. As this indicator measures the liquidity of equities, it is important to infrastructure investors to know they can exit investments at appropriate points.



41.6/100

Long term GDP growth trend

Peru's long-term GDP growth is 4.4%, which is higher than the Upper Middle Income Countries' average of 3.1%. Its relatively high growth, should it not be overly impacted by COVID-19, can be expected to correlate with greater infrastructure spending.

For guidance on how to improve these metrics, please see the [Peru Country Page](#) on the InfraCompass website.



ECONOMY OVERVIEW

GDP (\$US billion, 2019)	229	Population (million, 2019)	32.5	Unemployment rate (2019)	2.9%
GDP per capita (\$US, 2019)	7,047	Urbanisation ratio (2018)	78.0%	Inflation rate (2019)	2.2%
GDP growth rate (annual, 2019)	2.6%	Gross Government Debt (% of GDP, 2019)	27.0%	Digital Adoption Index (0-1 best, 2016)	0.55
GDP per capita growth rate (annual, 2019)	0.6%	Sovereign risk rating (2019)	65	Gini coefficient (0-100 worst, 2017)	43.3

METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	No -	Effect of taxation on incentives to invest	43.3 ↑	Cost to start a business	81.1 ↓
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	62.8 ↓	Dealing with construction permits	56.6 ↑
Recovery rate	31.3 ↑	Product market regulation, network sectors	53.7 [^] -	Quality of land administration	60 ↑
Rule of law	39.7 ↓	Regulatory (including competition) quality	60.4 ↑	Registering property	91.5 -
Shareholder governance	43.3 -	Strength of insolvency framework	59.4 -	Time required to start a business	42.5 ↑
Political stability and absence of violence	45.7 ↓	Investment promotion agency?	Yes -		
PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	Yes -	Average procurement duration – transaction RFP	67.6 -	Infrastructure investment	65.6 ↑
Published infrastructure plan?	Yes -	Degree of transparency in public procurement	25 ↓	Private infrastructure investment	54.7 ↓
Preparation of PPPs	81 ↓	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	43.4 ↓
Economic analysis assessment?	Yes -	Procurement of PPPs	66 -	Value of closed infrastructure deals with foreign equity sponsorship	26.6 ↓
Market sounding and/or assessment?	Yes -	PPP contract management	78 -		
Environmental impact analysis?	Yes -				
FUNDING CAPACITY		FINANCIAL MARKETS		Drawing on data from: International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPIL, Oxford Economics, Trading Economics, and Deloitte.	
GDP per capita	9 ↑	Domestic credit to private sector	21.2 ↑		
Gross government debt	78.9 ↓	Financing through local equity market	43.2 ↓		
Long term GDP growth trend	41.6 ↓	Stocks traded	0.9 ↓		
Summary credit rating	65 ↑	Financial depth	36.7 ↑		
		Financial stability	90.1 ↑		

Metric key:

↑ Increase from InfraCompass 2017 ↓ Decrease from InfraCompass 2017 - No change from InfraCompass 2017

Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are the metrics with the lowest weighted score out of 100. These metrics would have the greatest impact on the overall score.

[^]Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.