

**Required Report:** Required - Public Distribution

**Date:** May 21, 2025

**Report Number:** PE2025-0018

**Report Name:** Coffee Annual

**Country:** Peru

**Post:** Lima

**Report Category:** Coffee

**Prepared By:** Gaspar Nolte

**Approved By:** Robert Tuebner

**Report Highlights:**

Peru's coffee production in marketing year (MY) 2025/2026 is forecast to rebound by eight percent reaching, 4.2 million 60-kg bags. Domestic coffee consumption during this period is projected at 300,000 60-kg bags. In MY 2024/2025, total coffee exports reached 3.9 MMT, with the United States remaining the largest market, accounting for 27 percent of Peru's total coffee exports.

## Summary

Peru's coffee production for marketing year 2025/2026 is forecast at 4.2 million 60-kg bags, representing an eight percent increase over the previous year. This growth is attributed to better prices and increased use of inputs such as fertilizers. However, despite improved weather conditions in MY 2024/2025, challenges such as coffee leaf rust and coffee borer infestations continue to persist.

Yields average 721 kg/ha but vary significantly depending on farm management practices. Arabica is the dominant coffee type, primarily of the Typica and Caturra varieties. Most farms are small (under 5 ha) and rely on traditional methods like shade-growing, hand-picking, and sun-drying. The harvested area remains steady at 335,000 hectares, with the main harvest taking place from April to July

Limited access to credit, often due to land title issues, forces smallholders to rely on informal lenders or buyers. Many farmers join cooperatives to obtain better prices, technical support, and marketing resources. However, infrastructure challenges, particularly poor roads and inadequate storage facilities, continue to limit Peru's competitiveness in global coffee markets.

**Table 1: Coffee Production, Supply and Distribution**

Coffee, Green Market Year Begins Peru	2023/2024		2024/2025		2025/2026	
	Apr 2023		Apr 2024		Apr 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	375	0	370	0	370
Area Harvested (1000 HA)	0	335	0	332	0	335
Bearing Trees (MILLION TREES)	0	620	0	618	0	622
Non-Bearing Trees (MILLION TREES)	0	37	0	35	0	36
Total Tree Population (MILLION TREES)	0	657	0	653	0	658
Beginning Stocks (1000 60 KG BAGS)	95	95	15	28	0	26
Arabica Production (1000 60 KG BAGS)	4000	3912	4350	3882	0	4200
Robusta Production (1000 60 KG BAGS)	0	0	0	0	0	0
Other Production (1000 60 KG BAGS)	0	0	0	0	0	0
Total Production (1000 60 KG BAGS)	4000	3912	4350	3882	0	4200
Bean Imports (1000 60 KG BAGS)	0	0	0	0	0	0
Roast & Ground Imports (1000 60 KG BAGS)	0	10	0	12	0	10
Soluble Imports (1000 60 KG BAGS)	90	296	90	283	0	290
Total Imports (1000 60 KG BAGS)	90	306	90	295	0	300
Total Supply (1000 60 KG BAGS)	4185	4313	4455	4205	0	4526
Bean Exports (1000 60 KG BAGS)	3920	3935	4200	3619	0	3925
Rst-Grnd Exp. (1000 60 KG BAGS)	0	63	0	265	0	270
Soluble Exports (1000 60 KG BAGS)	0	5	0	0	0	5
Total Exports (1000 60 KG BAGS)	3920	4003	4200	3884	0	4200
Rst,Ground Dom. Consum (1000 60 KG BAGS)	50	64	40	65	0	70
Soluble Dom. Cons. (1000 60 KG BAGS)	200	218	200	230	0	230
Domestic Consumption (1000 60 KG BAGS)	250	282	240	295	0	300
Ending Stocks (1000 60 KG BAGS)	15	28	15	26	0	26
Total Distribution (1000 60 KG BAGS)	4185	4313	4455	4205	0	4526

(1000 HA) ,(MILLION TREES) ,(1000 60 KG BAGS)

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

**Production:**

Coffee production in Peru for marketing year (MY) 2025/2026 (April–March) is forecast at 4.2 million 60-kilogram bags, an eight percent increase from the previous year. This growth is attributed to improved prices, which are encouraging producers to increase fertilizer use and conduct more thorough harvesting. Nevertheless, many Peruvian coffee producers continue to face financial challenges, as revenues in recent years have often failed to cover production costs.

Coffee production in MY 2024/2025 benefited from improved weather conditions, allowing the crop to recover from the previous year's El Niño. However, challenges such as coffee leaf rust and coffee borer infestations continue to persist.

Coffee in Peru is primarily grown along the eastern slopes of the Andes. The main coffee-producing regions include Cajamarca (22% of total production), San Martín (20%), Junín (19%), and Amazonas (15%). Coffee is cultivated in 16 of the country's 25 regions, and an estimated 223,000 families rely on coffee production as their primary source of income.

For MY 2025/2026, the harvested area is forecast at 335,000 hectares, remaining largely unchanged from the previous year. The harvest season begins in April and extends through September, with peak activity between June and July. Approximately 85 percent of the crop is harvested from April to July.

Coffee production continues to be affected by a coffee leaf rust (*Hemileia vastatrix*) outbreak that began in 2013, now impacting nearly 40 percent of the crop. Mitigation strategies include phytosanitary treatments and replacing infected trees. Additionally, a coffee borer (*Hypothenemus hampei*) infestation, which began in 2020, persists, particularly at elevations below 1,500 meters.

**Figure 1: Typical Coffee Plantation in Junin, Peru**



*Source: Gaspar Nolte, Senior Agricultural Specialist, FAS Lima*

Average yields in MY 2024/2025 are estimated at 721 kilograms per hectare, a two percent increase from the previous year. Yields vary significantly, with well-managed plantations achieving up to 45 bags (2,700 kg) per hectare. Labor remains the highest production cost, accounting for about 58 percent of total expenses, followed by fertilizers (24%) and agrochemicals (12%).

Peru primarily produces Arabica coffee, with over 70 percent being the Typica variety, followed by Caturra (20%) and other varieties (10%). Approximately 75 percent of coffee is cultivated at elevations between 1,000 and 1,800 meters above sea level. Most coffee is shade-grown, with an average plant density of 2,000 plants per hectare. The crop is largely hand-picked and sun-dried.

Over 90 percent of Peruvian coffee is grown by smallholder farmers on plots smaller than 5 hectares. Coffee is primarily processed using water to wash the beans. Farmers typically handle the initial processing steps—including pulping, fermenting, and drying—or sell coffee cherries to local processing centers. Dried beans are sold to local intermediaries (“acopiadores”), cooperatives or associations, and private processors/exporters. Secondary processing, such as hulling, grading, and roasting for domestic consumption, is carried out at industrial plants. High-quality beans, including organic and specialty coffees, are exported.

**Figure 2: Coffee Drying Facility in Chanchamayo, Peru**



*Source: Gaspar Nolte, Senior Agricultural Specialist, FAS Lima*

Limited access to credit remains a major challenge for small producers. Private banks in Peru often reject untitled land as collateral, forcing many farmers to rely on buyers or informal lenders for financing. This results in farmers having to frequently deal with burdensome fixed-price contracts and high interest rates.

To overcome these limitations, many smallholders form cooperatives or associations to secure better prices, enhance post-harvest processing, and implement more effective marketing strategies. Some cooperatives have over 2,000 members, and the more advanced ones provide technical assistance and financial services, helping to subsidize production costs and improve quality and yields. These groups market their coffee either directly or through traders.

Infrastructure remains a major barrier to competitiveness in Peru's coffee sector. Poor road conditions, exacerbated during the rainy season, along with inadequate storage and processing facilities, continue to hinder access to export markets.

### **Consumption:**

Domestic coffee consumption in marketing year (MY) 2025/2026 is forecast at 300,000 60-kg bags. While coffee consumption in Peru has grown significantly in recent years, it remains relatively low compared to neighboring countries. Per capita consumption in Peru is estimated at 950 grams, in contrast to Colombia at 2.5 kilograms and Brazil at over 6 kilograms.

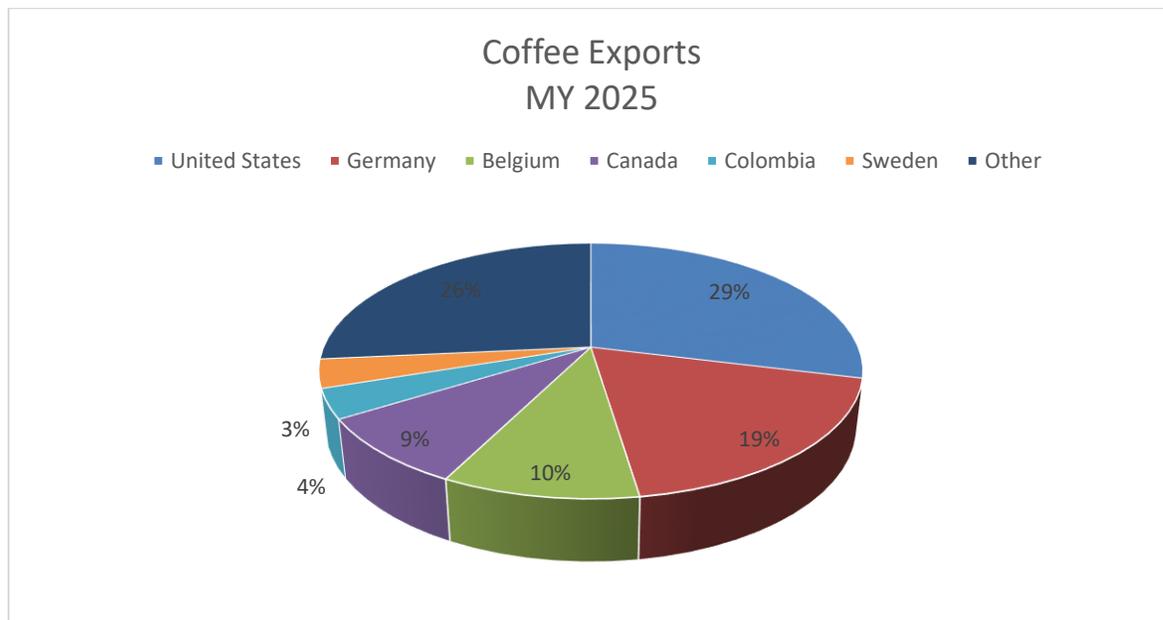
Soluble (instant) coffee accounts for 75 percent of total domestic consumption. However, consumption patterns are evolving, with a growing preference for roasted and ground coffee, especially among young urban consumers. In this demographic, per capita consumption has reached approximately one kilogram. Despite these trends, domestic consumption still represents only about six percent of total coffee production. Most domestic sales occur through small corner stores (60 percent) and supermarkets (30 percent).

### Trade

Peruvian coffee exports in MY 2025/2026 are projected at 4.2 million 60-kg bags, rebounding eight percent over the previous year. The United States remained the top destination in MY 2024/2025, receiving 27 percent of exports, followed by Germany (19 percent) and Belgium (11 percent).

Export prices rose 28 percent in MY 2024/2025, averaging \$229 per 60-kg bag, the second highest level in a decade, while exports to the U.S. averaged \$236 per bag. Despite the price increase, Peruvian coffee remains competitively priced and attractive to producers.

**Figure 3: Peruvian Coffee Exports**



Peru is the world’s leading exporter of organic coffee, with approximately 90,000 hectares certified organic. Many additional hectares are effectively organic due to limited use of chemical inputs, often because of cost constraints faced by small-scale growers. To meet foreign demand for specialty coffee, many producers pursue certification programs, including:

- Fair Trade: Certified by Fair Trade Labeling Organizations International (FLO)

- Organic: Certified by agencies such as USDA’s National Organic Program (NOP), Japanese Agricultural Standards (JAS), Natureland, and the Organic Crop Improvement Association (OCIA)
- Sustainable Coffee: Certified by the Rainforest Alliance
- Café Practices: Certified by Starbucks

Other certifications include “bat-friendly” and “bird-friendly” designations.

Peruvian coffee producers frequently compete in international coffee competitions, using them as a platform to showcase quality and secure premium prices. Notably, Peru has earned multiple Best Specialty Coffee awards at the Global Specialty Coffee Expo.

## **Policy**

Through the Food for Progress Program, the Foreign Agricultural Service (FAS) financed the regional MOCCA (Maximizing Opportunities for Coffee and Cacao in the Americas) project to strengthen coffee and cacao value chains. The program focuses on five key areas: enhancing technical and agricultural capacity, providing improved seeds, promoting producer associations, expanding access to credit, and linking producers to markets. In Peru, MOCCA has trained over 27,000 producers, supported the establishment of 515 nurseries, and facilitated nearly \$17 million in credit.

Promoting Peruvian coffee internationally is a national priority. PromPeru, the country’s export promotion agency, along with its overseas commercial offices, actively promotes Peruvian coffee abroad. Meanwhile, some local government agencies and NGOs are supporting organic coffee production to boost farmers’ incomes.

Peruvian coffee producers have expressed concerns over the European Union’s Regulation on Deforestation-Free Products (EUDR), which mandates that certain products, including coffee, cocoa, wood, palm oil, soy, cattle, and rubber, must not originate from land deforested after December 31, 2020. The National Coffee Board, the country’s main coffee producer association, warns that small producers may struggle to comply due to the lack of land use certifications and titles. The Board also points to Peru’s complex forestry regulations and insufficient government support as additional barriers. Although Congress amended the forestry law in January 2024 to simplify the certification process, producers assert that more support is needed to maintain access to EU markets.

Peru’s coffee sector provides 855,000 jobs, primarily in remote and economically vulnerable regions. The government, through the National Commission for Development and Life Without Drugs (DEVIDA), promotes coffee cultivation as a legal alternative to coca leaf production.

To further support the sector, the government created the National Executive Coffee Council (via Supreme Decree 002-2021-MIDAGRI) to implement a national coffee promotion plan through 2030. Chaired by the Ministry of Agriculture, the Council includes representatives from the Ministries of

Foreign Affairs, Trade and Tourism, DEVIDA, regional governments, municipalities, and producer organizations. The plan aims to boost domestic coffee consumption.

The Peruvian government does not maintain national coffee stocks; all inventories are held by the private sector.

**Attachments:**

No Attachments