



Climate change mitigation in Peru

Paula Castro

Center for Comparative and International Studies (CIS)

University of Zurich and ETH Zurich

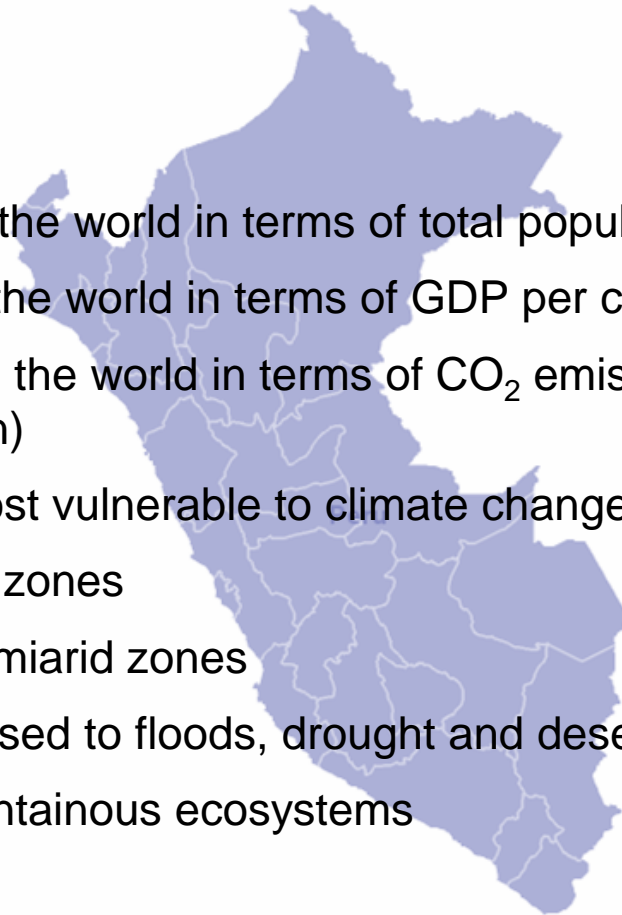
Prepared for the Jornada Peruana, University of St.Gallen, March 2013



Some numbers...

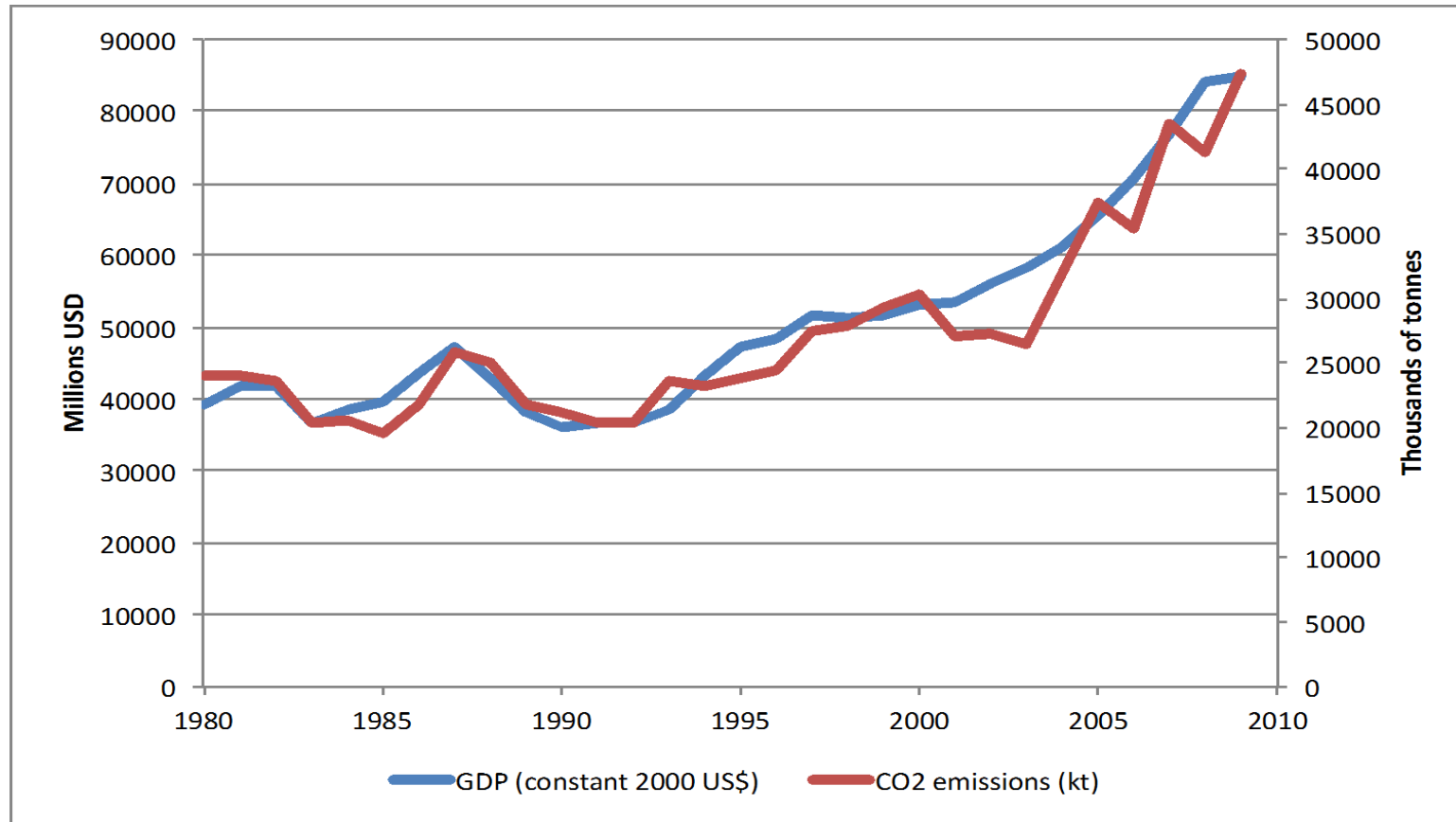
– **Peru is ranked:**

- 42nd country in the world in terms of total population
- 74th country in the world in terms of GDP per capita
- 112th country in the world in terms of CO₂ emissions per capita (from fuel combustion)
- 85th country most vulnerable to climate change (GAIN index)
 - low coastal zones
 - arid and semiarid zones
 - zones exposed to floods, drought and desertification
 - fragile mountainous ecosystems





Economic growth and GHG emissions



**Small emitter, but high carbon intensity of the economy:
emissions coupled to economic growth!**



Peru's position in the international climate change negotiations

Traditional position

- **Low** contribution to global greenhouse gas **emissions**
- **High vulnerability** to climate change
 - Main **concern is how to adapt** to climate change and how to finance this adaptation
 - Own **mitigation is not a priority**

Since 2008

- Realization that adaptation will not be enough
- **Strong global mitigation** goals are needed
 - Peru itself starts to be **willing to contribute** to this mitigation effort



Peru's position in the international climate change negotiations

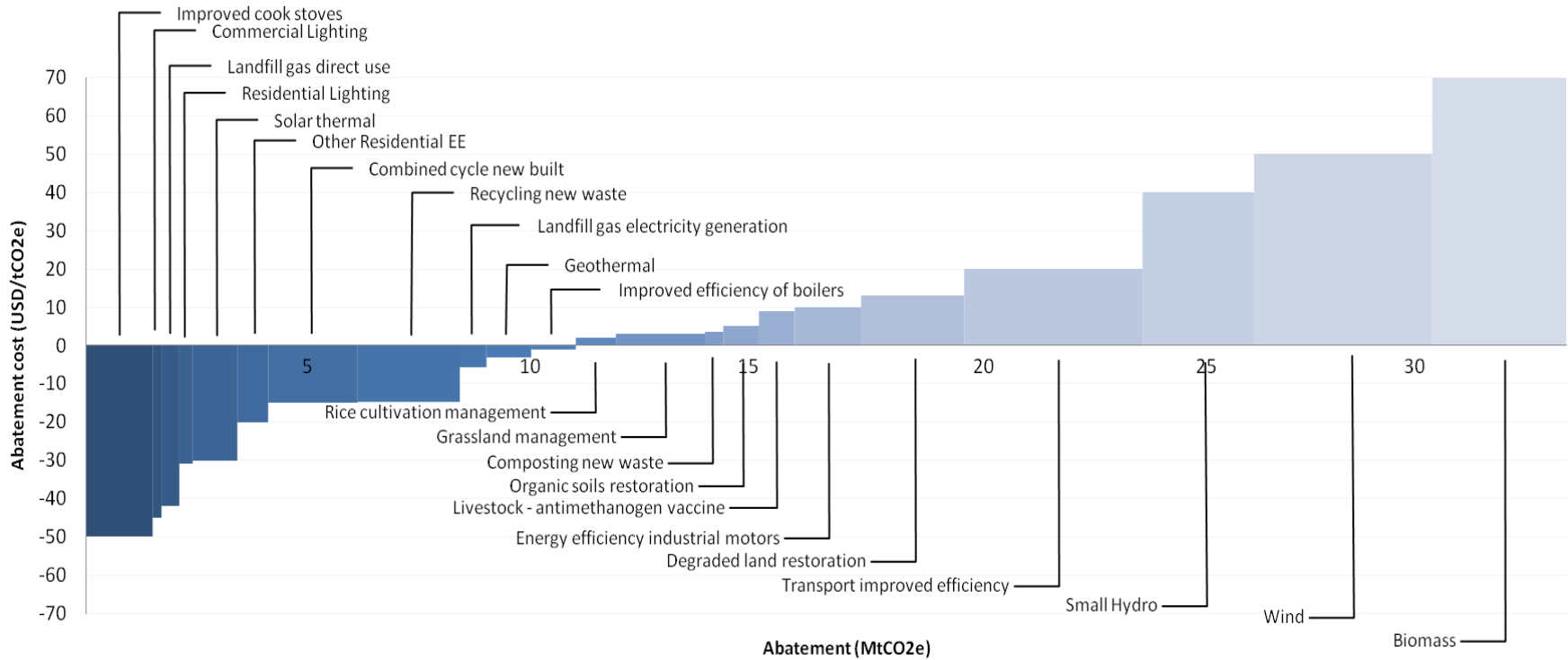
Why?

- “Mitigation has potential **economic and social benefits** for Peru, compared to the costs of reducing emissions” (MINAM 2010, p. 24)
- Early mitigation can be achieved at **net negative costs**

→ **Path to a “low carbon economy”**



A preliminary marginal abatement cost curve for Peru in 2020 (excluding forestry)



Source: Stadelmann and Eschmann 2011



Climate change mitigation in Peru

Main sectors

- Deforestation and land use change in the Amazon
- Energy efficiency and reduction in the use of fossil fuels
- Waste management

Types of activities

- Existing mitigation actions – e.g. in transportation and waste sectors
- Clean Development Mechanism – 50 registered projects so far
- Nationally Appropriate Mitigation Actions



Voluntary mitigation commitments for 2021

Land use, land use change and forestry:

- Net emissions declining to zero by 2021; primary forest conservation
 - 45% emission reductions

Energy:

- Shift of national energy consumption matrix to 40% non-conventional renewable and hydro energy
 - 28% emission reductions

Waste:

- Capture and use of methane from disposal of municipal solid waste in 31 large and medium cities country-wide





Existing and planned sectoral policies

Sector	Existing policies	Planned policies
Agriculture		<ul style="list-style-type: none"> • NAMA: integrated management of soils
Buildings	<ul style="list-style-type: none"> • Voluntary labels for appliances 	<ul style="list-style-type: none"> • EE building codes • Mandatory labels for appliances • Minimal standards for appliances
Energy supply	<ul style="list-style-type: none"> • Primary dispatch of RE • Public RE tenders • Fund for RE research 	<ul style="list-style-type: none"> • Rural electrification program • Master plan for rural electrification
Forestry	<ul style="list-style-type: none"> • Reforestation Plan 2002-2021 • Ntl. Forest Conservation Program • Environmental Services Compensation Regulating Law • Private Conservation with REDD; conservation within Protected Areas 	<ul style="list-style-type: none"> • New Forest and Wildlife Law (drafted) • NAMAs: containment of illegal deforestation, information systems and forest control • Several further projects: National Forest Inventory, R-PP Strategy for REDD
Industry	<ul style="list-style-type: none"> • PAMAs 	<ul style="list-style-type: none"> • Standards for equipment and processes • Promotion of cogeneration • GHG on list of dangerous gases
Transport		<ul style="list-style-type: none"> • EE labels for cars • Import restrictions for inefficient cars • Restriction to 6 days car use • Awareness raising programs
Waste		<ul style="list-style-type: none"> • Program of Activities (PoA) as NAMA

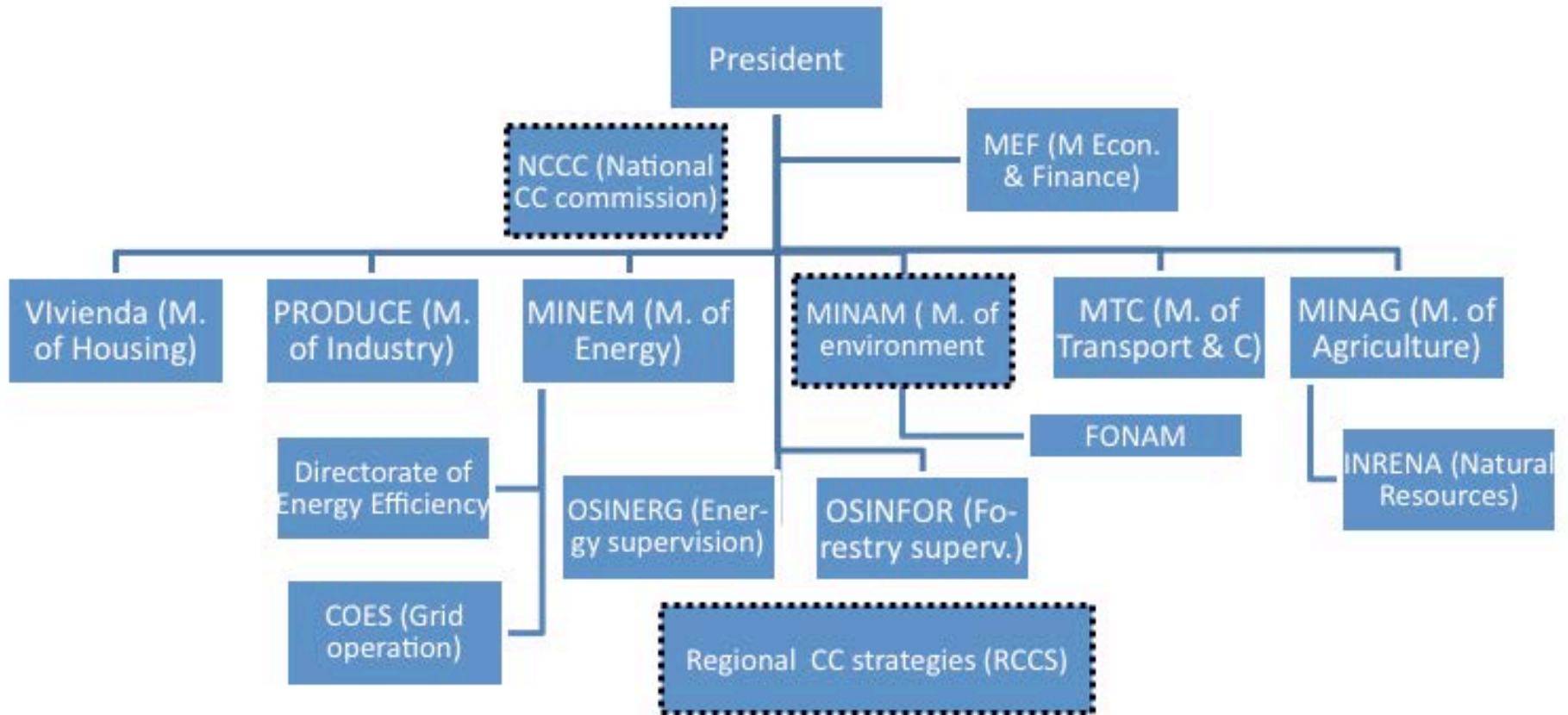


Main policy instruments

- 1993: inter-ministerial National Climate Change Commission (re-established in 2009)
- 1996: National Environmental Agenda
- 2001: Peru's First National Communication to the UNFCCC
- 2003: First National Climate Change Strategy
- 2008: Creation of Environment Ministry
- 2010: Action Plan for Climate Change Adaptation and Mitigation
- 2010: Peru submits NAMA proposals under the Copenhagen Accord
- 2010: Second National Communication to the UNFCCC
- 2011: National Guidelines for Climate Change Mitigation
- 2013: Updated National Climate Change Strategy



Main agencies involved





Remaining barriers

Finance:

- Lack of international support to finance NAMA implementation
- Limited resources for in-depth studies (mitigation potential, long-term scenarios, cost estimations)

Regulation and institutions:

- Insufficient coordination between ministries
- Insufficient incorporation of climate policy into sectoral strategies
- Insufficient monitoring and reporting of existing actions and measures
- Lack of a long-term mitigation strategy



Remaining barriers

Knowledge:

- Missing reliable GHG emissions data
- Not well elaborated baseline scenarios
- Insufficient expertise for planning, implementation and evaluation of NAMAs, new market mechanisms, and other international instruments



Opportunities

Great interest from international donors

- Nordic Environment Finance Corporation: technical cooperation for scaled up cooperation
- Switzerland: State Secretariat for Economic Affairs (SECO)
- World Bank: Partnership for Market Readiness

Peru has offered to host the UN Climate Change Conference in 2014

- Greater visibility of the topic domestically
- Incentive for government to take and show action
- Incentive for greater involvement of the public



References

- Dall’Orto Cacho D. 2012. Presentation of PMR Expression of Interest. Country: Peru. Washington, D.C.: World Bank PMR.
- MINAM. 2010. Segunda Comunicacion Nacional del Peru a la Convencion Marco de las Naciones Unidas sobre Cambio Climatico. Lima: MINAM.
- Postigo T; Zevallos P; Cigaran MP. 2011. Mitigation action in developing countries: Country study for Peru. Report for MAPS. Lima: Libelula Consultores.
- Stadelmann M; Eschmann M. 2011. Country case study Peru: Removing barriers for climate change mitigation. Report for SECO and Climate Strategies. Zurich: University of Zurich.
- World Bank. 2012. World Development Indicators.