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Peru's National Climate Law: A critical step towards reducing global emissions

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Key messages

- While hosting the Twentieth Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC COP20) negotiations in December 2014, Peru passed a climate law – the first of its kind in the region. The new law establishes a greenhouse gas (GHG) inventory system known as INFOCARBONO.
- INFOCARBONO provides a model that other countries can use when developing a comprehensive and consistent framework for national GHG inventories.
- This is an example of ambitious climate action achieved through strong leadership from key national and local stakeholders, together with good planning and international support.

Introduction

Peru is a large country with a long coastline, snow-covered mountains and sweeping forests. These diverse and fragile ecosystems are extremely vulnerable to climate change; several mountain glaciers have already retreated, causing water scarcity in some areas. The Economic Commission for Latin America and the Caribbean (ECLAC) estimates that the economic losses related to climate change could reach over 15% of national gross domestic product (GDP) by 2100.¹ In 2010, Peruvian GHG emissions represented only 0.4% of global emissions (124,109 Gigagrams of carbon dioxide equivalent (GgCO₂e), where 1 Gg equals 1 kiloton).² Today, however, emissions are rising nationwide – particularly in the energy and transport sectors.

In December 2014, Peru hosted the UNFCCC COP20 negotiations. At the same time, keen to demonstrate leadership and scale up its climate change efforts, the government approved a law to establish a national GHG inventory system: INFOCARBONO. While Chile, Colombia and Mexico have developed general guidelines or laws for preparing national GHG inventories, the Peruvian climate law is the first of its kind in the region and it establishes a legal framework for future climate policy. This significant milestone paves the way for the country and region to take further action on climate change, building momentum towards COP21 in Paris in December 2015.

INFOCARBONO was developed by Peru's Ministry of Environment with support from additional government stakeholders and international partners, including the United States Agency for International Development, US Environmental Protection Agency, World Resources Institute (WRI), and global initiatives such as the Low Emission Development Strategies (LEDS) Global Partnership (GP).

The Low-Emission Development Strategies Global Partnership (LEDS GP) was founded in 2011 to enhance coordination, information exchange and cooperation among countries and international programs working to advance low-emission, climate-resilient growth. The LEDS GP currently brings together LEDS leaders and practitioners from more than 160 countries and international institutions through innovative peer learning and collaboration forums and networks. For the full list of participants and more information on partnership activities, see: www.ledsgp.org | Email: secretariat@ledsgp.org

What is INFOCARBONO?

INFOCARBONO is a legal framework that establishes the mechanisms and institutional arrangements needed to prepare national GHG inventories. It is designed for use by state institutions (i.e. ministries) to ensure adoption by national and local actors. INFOCARBONO will be an extremely useful tool for sectors wishing to design policies, plans or other management tools for reducing GHG emissions and promoting carbon sequestration. Another important goal of the law is to facilitate the development of future GHG inventories and help the Government of Peru meet its commitments to the UNFCCC.

INFOCARBONO will help mainstream climate change priorities across different sectors. It assigns a clear set of responsibilities to various stakeholders and lays out mechanisms for collaboration and coordination among different sectors (see Figure 1). Thus, the law will enable Peru to establish a national cross-sector monitoring system that will work at local and national levels of the government. The Ministry of Environment will be the focal point for implementing and operating INFOCARBONO, and will be in charge of providing capacity building and technical support.



Figure 1. The INFORCARBONO process

Source: Ministry of Environment, Government of Peru (2014)

A major step forward

One of the main problems with the GHG inventories produced by Peru and many other developing countries is that they have been developed over differing periods and by different teams or working groups. The inventories often lack evidence, data sources and consistent methodologies. In addition, more attention needs to be given to assuring high quality results, analyzing uncertainties and further detailing the main sources of GHG.

INFOCARBONO represents a major transformation of the GHG management system, which was previously under the sole control of the Peruvian Ministry of the Environment. The new framework will ensure that each relevant ministry includes GHG management within their work. INFOCARBONO is expected to offer a consistent and reliable national GHG inventory system. The outlook in the medium term is that the inventories database will become more robust and of higher quality. Consequently, it will be instrumental to determining the design and assessing the impact of new policies and projects. If Peru is successfully able to implement INFOCARBONO, it may gain better access to international climate finance.

One of the main challenges associated with implementing INFOCARBONO is the amount of flexibility and independence it allows relevant stakeholders. Indeed, relevant ministries need to be able to generate and format information of interest (i.e. inventory preparation), gain access to new information, and have skilled personnel in charge of data collection and management and the preparation of inventories. The Ministry of Environment will play a crucial role in developing skills and guidelines such as calculation methods or processes and archive systems.

Climate change mitigation in the transport sector

Peru has also demonstrated leadership by scaling up and improving its national climate action plan – *Planificación ante el Cambio Climático* (PlanCC) – with a particular focus on transport, which is responsible for 62% of the country's energy emissions. At the end of 2012, the Ministry of Environment together with the Ministry for Transport and Ministry of Energy and Mines requested capacity building support from the LEDS GP Transport Work Stream. The aim was to provide assistance in laying the foundation for a comprehensive, robust and streamlined approach to climate change mitigation in the transport sector, an approach that could be integrated with other strategic sectors.

Following discussions with the different ministries, the LEDS GP Transport Working Group decided to focus its effort on four policy-making processes: (1) transport in the national climate action plan; (2) a transport nationally appropriate mitigation action (NAMA); (3) the national GHG inventory; and (4) the INFOCARBONO climate law.

LEDS GP organized a series of technical workshops with experts from Colombia and Mexico, and provided additional assistance through face-to-face meetings, telephone calls and reviews of key documents. As a result of these activities, Peru now has a NAMA for transport.³ In addition, the Ministry of Transport has formed an internal working group to focus activities on climate change policies, and Peru has a new national GHG inventory for critical analysis of the transport sector.

Leadership from Peru

Although there are challenges to implementing the new law and using it to influence real action on the ground, this example of leadership should inspire other countries, especially as they prepare for the COP21 climate negotiations in Paris in December 2015, when a new international agreement is due. Peru has demonstrated that:

- ambitious actions are achievable with strong leadership from key national and local stakeholders, good planning and international support
- climate action creates real benefits for local people, including improved air quality, reduced traffic congestion, more 'green' jobs and increased energy savings
- INFOCARBONO supports policy-makers in their daily tasks. The database will influence and inform the ways in which other policies are designed.

LEDS GP: Supporting climate action through peer-to-peer learning

The LEDS GP Transport Working Group is led by the WRI Ross Center for Sustainable Cities, working in partnership with the National Renewable Energy Laboratory (NREL) and the United Nations Environment Programme (UNEP). The initiative has three focus areas:

Global diffusion of knowledge: Supporting the development of transport systems by sharing approaches and tools for transport and land use planning, providing methods and tools for transport analysis, peer-to-peer financial training and expert assistance specific to the transport sector. This includes the 'Toolkit for Low Emission Development Strategies in Transport', a comprehensive platform that provides access to technical resources, expert assistance and training to support government planners, decision-makers and practitioners plan and implement LEDS at the regional, national and local levels. See http://ledsgp.org/working-groups/transport/ for more information.

Region-specific capacity building: The Transport Working Group has built successful partnerships with regional actors, including the Asia LEDS Partnership, LEDS Latin America and the Caribbean Regional Platform, and our African partner UNEP. The Transport Working Group aims to work with these regional platforms and other LEDS Working Groups (e.g. subnational integration, finance, energy) to design training and other resources that meet regional needs.

In-country support: Support on specific transport issues or policy-making processes can be offered in response to a government's request and to strengthen governments' commitments to incorporating low-emission development strategies into national or subnational plans or policies for the transport sector. This includes expert-facilitated workshops and other technical assistance. See http://ledsgp.org/working-groups/transport/ for more information.

Endnotes

- Economic Commission for Latin America and the Caribbean (ECLAC) (2014) 'Climate change in Peru seen affecting the fishing, high Andes' livestock and agricultural sectors the most'. Press Release. http://www.cepal.org/en/pressreleases/ climate-change-peru-seen-affecting-fishing-high-andes-livestock-and-agricultural (accessed 23 July 2015).
- 2. United Nations Framework Convention on Climate Change (UNFCCC) (2014) 'Emissions summary for Peru'. https://unfccc.int/files/ghg_data/ghg_data_unfccc/ghg_profiles/application/pdf/per_ghg_profile.pdf
- 3. See http://www.wri.org/blog/2014/12/peru%E2%80%99s-climate-leaders-awarded-over-11-million-low-carbon-urbantransport; and http://transport-namas.org/wp-content/uploads/2014/04/Overview_PERU_TRANSPeru.pdf for details.

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