



LEDS in Practice

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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 inventory system known as INFOCARBONO.
- INFOCARBONO provides a model that other countries can use when developing a comprehensive and consistent framework for national greenhouse gas 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 greenhouse gas 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 greenhouse gas inventory system: INFOCARBONO. While Chile, Colombia and Mexico have developed general

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 Global Partnership (LEDS GP).

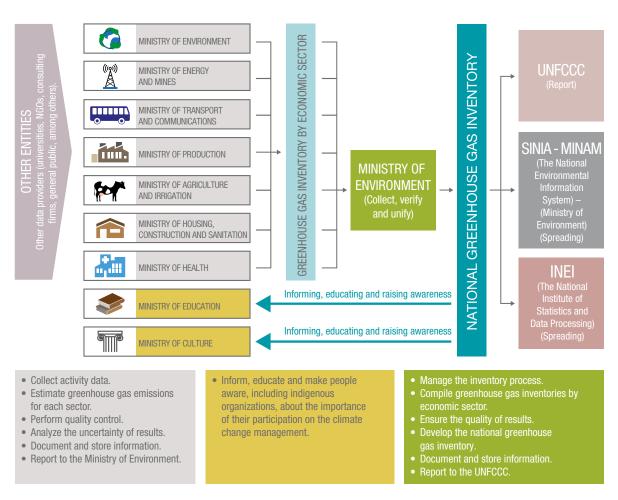
guidelines or laws for preparing national greenhouse gas inventories, the Peruvian climate law is the first of its kind in the region and it establishes a legal framework for future climate policy. This significant milestone paves the way for the country and region to take further action on climate change, building momentum towards COP21 in Paris in December 2015.

What is INFOCARBONO?

INFOCARBONO is a legal framework that establishes the mechanisms and institutional arrangements needed to prepare national greenhouse gas 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 greenhouse gas emissions and promoting carbon sequestration. Another important goal of the law is to facilitate the development of future greenhouse gas 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 INFOCARBONO process



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



Lima's Metropolitano bus rapid transit system. (Source: Oscar Quintanilla, Office Of Evaluation and Oversight, Inter-American Development Bank)

A major step forward

One of the main problems with the greenhouse gas 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 greenhouse gases.

INFOCARBONO represents a major transformation of the greenhouse gas 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 greenhouse gas management within their work. INFOCARBONO is expected to offer a consistent and reliable national greenhouse gas 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.

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 as they now seek to deliver the Nationally Determined Contributions they submitted to the Paris climate negotiations in 2015. 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.

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.

LEDS GP: Supporting climate action through peer to peer learning

At the end of 2012, Peru's Ministry of Environment together with the Ministry for Transport and Ministry of Energy and Mines requested capacity building support for PlanCC from LEDS GP's Transport Working Group. The aim was to provide assistance in laying the foundation for a comprehensive, robust, streamlined approach to climate change mitigation in the transport sector, an approach that could be integrated with other strategic sectors. The Transport Working Group helped strengthen the Government of Peru's capacity to develop and deliver: low emission transport measures in the national climate action plan; a transport nationally appropriate mitigation action (NAMA); the national greenhouse gas inventory; and the INFOCARBONO climate law.

LEDS GP organized a series of technical workshops with experts from Colombia and Mexico, and provided additional assistance through meetings and reviews of key documents. Peru's NAMA for transport is a direct outcome of these activities.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 greenhouse gas inventory of the nation's transport sector.

The LEDS 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 sharing approaches and tools for transport and land use planning and analysis, peer to peer financial training and expert assistance specific to the transport sector, including a Transport Toolkit
- region specific capacity building through partnerships with regional actors including LEDS GP's regional platforms in Latin America and the Caribbean, Africa and Asia
- in-country support strengthening governments' commitments to incorporating low emission development strategies into national or subnational plans and policies for the transport sector through expert facilitated workshops and other technical assistance.

The Low Emission Development Strategies Global Partnership (LEDS GP) enables information exchange and cooperation among countries and international programs working to advance low emission, climate resilient growth.

Endnotes

- ECLAC (2014) 'Climate change in Peru seen affecting the fishing, high Andes' livestock and agricultural sectors the most.'
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- See Lefevre, B. (2014) 'Peru's climate leaders awarded over \$11 million for low-carbon urban transport.' World Resources Institute blog, 12 December; and GIZ (undated) TRANSPeru – Peru's Sustainable Urban Transport NAMA. Eschborn, Germany: Deutsche Gesellschaft für Internationale Zusammenarbeit.

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