CLIMATE FINANCE FORUM

Partnering with the Private Sector to achieve effective Policy Reform

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AGENDA

What we have learned from experience in Peru

- How to build a process that is legitimate, relevant and credible and ends up in a national/international policy (the NDC): The PLANCC project
- How to get political support and how to approach INDC implementation: The GestionCLIMA support Project (ex GestionCC)
- How to have fresh thinking, more ambition and input and back up to governmental green policies: The Leaders +1 Group and the Paris Agreement
1.1

A PROCESS THAT IS RELEVANT, LEGITIMATE AND CREDIBLE: PLANCC
PlanCC is a successful model that has been implemented in Peru since 2012 to design public policies for climate change mitigation, based on robust scientific investigation achieved through participative dialogue between the public and private sectors, academia and civil society.

PlanCC provided robust technical inputs that served as the base for public policy ie the Peruvian intendend Nationally Determined Contributons.

http://www.planccperu.org/el-proyecto
Combination of science and dialogue for a common vision
The result? 95% into the INDC and a real sense of opportunity

**Profitability Index**

\[
\text{Profitability index} = \frac{\text{Economic NPV}}{\text{Investment}}
\]

- **Segregación y reciclaje de residuos sólidos inórganicos**: Present Value of future cash flows / Investment = -0.2
- **Construcción de rss con captura y quema de metano y generación eléctrica**: 0.04
- **Reforestación comercial con altos rendimientos de los insumos**: 0.1
- **Reemplazo de lámparas fluorescentes en el sector comercial**: 0.3
- **Implementación de sistemas agroforestales (café + maderables)**: 0.4
- **Reemplazo de motores**: 0.4
- **Manejo sostenible en concesiones forestales maderables**: 0.6
- **Manejo sostenible de bosques para castañas**: 0.7
- **Cogeneración de electricidad y calor**: 1.4
- **Reemplazo de calderas**: 1.7

Elaborado por Intelfin
1.2

HOW TO APPROACH NDC IMPLEMENTATION: GESTION CLIMA
Gestión Clima or the Climate Management Initiative is an initiative led by the Ministry of Environment of Peru, that contributes to the concerted, multi-sectorial, multi-level and participative action that is including climate change into private and public sector projects aimed at low-carbon climate-resilient development.

It is the set of policies, strategies, rules, regulations and government coordination mechanisms oriented towards the implementation of the national goals when dealing with climate change.
It is an **innovative model** to address the implementation of the NDCs and the Peruvian National Climate Change Strategy through its incorporation in the development agenda.

This will be achieved through the constitution and strengthening of **public-private alliances** and multilevel coordination, via the construction of new and open information sharing and synergy building process.
How to implement? Most of investments are to be done by the private sector

Consider climate change in public and private policies and investments

Specific goals and actions of the climate agenda: ENCC & NDCs
Creating solutions together on real issues (Enabling conditions for NDC/NECC implementation) - ownership and a sense of reality for implementation

- Project Portfolio – bankable projects
- Proposals for improvement of instruments

Climate Management Initiative

- Leadership and Interinstitutional articulation
- Climate for climate action (enabling conditions)

Management Models: Development and Climate NDC’s Implementation

- Institutions
- Capacities
- Information
- Infrastructure

Rules and regulations

Financing

Cooperation

Stakeholders: Critical mass and alliances

Consolidated alliances

Knowledge Management Platform

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Knowledge Management Platform
The best way to create solutions: well designed processes and clarity on what we want to achieve

**Intervention Models Proposal**

- **Climate and development**
  - Analysis
  - ERCC
  - Development plans, Investment projects, Analysis decision making process, Inv. Projects considering CC
  - Arequipa
  - Ucayali

- **NDC implementation proposals**
  - Community forest Management
  - Water Adapt.
  - Energy GD
  - Nac/Ucy
  - Arequipa
  - Nac/Aqp

**Institutional Arrangements**

- **Finance**

- **Knowledge Management**

**CC Management Initiative:**

- A legal framework
- An organizational structure
- Multistakeholder coordination mechanism
- CC management models
- Financial mechanism and portfolio

**KEY:**

- Pilot projects
- Principal intermediary products
- Project components
- Final products

**CC in development model**

- Climate Action Seal
- 3 Projects for GCF or similar financial mechanism
- Lessons learnt
- Communication Impact Strategy

**NDC implementation model**

- Preliminary Version Phase 2
1.3
MORE AMBITION, INPUT AND BACK UP TO GOVERNMENTAL GREEN POLICIES: THE LEADERS +1 GROUP AND THE PARIS AGREEMENT
An inspirational vision
A safe space to create new solutions with a global vision
A sense of Community: create deep relationships