

PERU

2013-2019



RESULTS FACTSHEET

OVERVIEW

Peru has witnessed consistent economic growth in recent years. Likewise, there has been remarkable progress in reducing poverty rates, which fell from nearly 50% in 2006 to just over 20% by 2017. At the same time, inequality and environmental degradation remain significant concerns. Peru's national strategic plan for development, the *Peru 2021: Bicentennial Plan*, was adopted in 2011 and has sought to tackle these challenges over the following decade. This has provided key entry points for PAGE's work in the country. Since 2013, PAGE's engagement has centred around the development of a national strategy for green growth, which began in 2014 with the *launch of a road map* during the UNFCCC COP20 in Lima. PAGE has subsequently supported sectoral policy reform and stakeholder engagement on green industry and green jobs, and capacity building and awareness raising in support of the inclusive green economy transition.

PAGE support is helping the Government to formulate policies that contribute to Peru's national priorities, its Nationally Determined Contributions, as well as SDGs 1, 8, 9, 11, 12 and 17.



STORY OF RESULTS

Integrating inclusive green economy into national planning and policy processes

PAGE's work started with an analysis of the Peruvian economy and its green growth potential, which helped to develop a conceptual framework for green growth. This work informed a *green growth policy assessment* using a Threshold 21 system dynamics model, which provided evidence of the cross-cutting nature of environmental concerns and analysed the potential long-term impact of different green growth scenarios in three sectors (transport, forestry and agriculture). The research findings were widely discussed and validated with key stakeholders in a series of national meetings and workshops.

Delving deeper into sectoral reform, dialogues were expanded to include discussion on green industry and green jobs. These dialogues allowed representatives from government ministries, the private sector and social partners—including trade unions—to build a common vision for the country's transformation and to establish linkages to other international partners like GIZ and the Global Green Growth Institute (GGGI). At the same time, inter-ministerial dialogue was facilitated through the National Steering Committee with Vice-Minister level representation, bringing on board five core Ministries engaged in PAGE.

As a result of this work, Guidelines for Green Growth were approved by the government in 2016, which lay the foundation for the adoption of green growth as the means of achieving a holistic and integrated approach to development. The document also provides management strategies and instruments and promotes coordination among sectors and compliance with international commitments, such as Peru's NDCs and the SDGs. To support the implementation of these Guidelines in the short term, in 2016 PAGE identified 12 policy tools for the newly-elected government to employ in its first 100 days, including, for example, the modification of the tax structure on fuel in order to stimulate behavioural changes towards sustainable consumption and eco-efficiency. These different elements supporting an enabling environment have been feeding into the development of Peru's overall strategy for green growth.

Supporting inclusive green economy through sectoral reform

Making green jobs central to sustainable development in Peru, PAGE has supported the Ministry of Labour and Employment Promotion (MTPE) in the development of a National Plan for Green Jobs. An important component of this work focused on encouraging

teleworking, aiming to reduce the environmental footprint of workers' daily commuting and to promote the inclusion of women and people with disabilities in the labour market. The National Plan for Green Jobs, once finalized, will be incorporated into the National Employment Policy, thus institutionalizing green economy principles into the national employment policy framework.

At the provincial level, PAGE assisted the MTPE and Regional Directorates of Labour and Employment Promotion in incorporating green growth objectives into regional youth employment plans. These plans seek to provide young people with productive, formal work opportunities that respond to future economic trends, with a focus on the conservation and reuse of natural resources. New regional youth employment plans were prepared for the regions of Arequipa, Piura, La Libertad and Cajamarca, each with a planning horizon of five years (2016-2021).

To advance green industry, PAGE has collaborated with the Ministry of Production, first on a Green Industry Assessment and subsequently on a series of Green Industry Fora at the national and provincial level, both feeding into the development of a Green Industry Policy Paper. The events raised awareness among entrepreneurs and small and medium-sized enterprises about energy efficiency, reduction of emissions, sound industrial waste management, circular economy and industrial resilience, and also shared good practices from Colombia, El Salvador and Argentina. Going forward, PAGE will support the Ministry to institutionalize annual Green Industry Fora and to integrate recommendations of the Green Industry Policy Paper into the National Industrial Policy.

Building capacities and consensus for green economy

To build technical and institutional capacities and a broad support base for inclusive green economy, PAGE has engaged with public officials, opinion leaders, journalists and the broader media through tailored green economy trainings and outreach, multimedia communications, forums and debates.

For example, in 2015, PAGE held a contest rewarding journalists who raised public awareness about the benefits of green growth in Peru. Prior to the second round of the Peruvian presidential election in 2016, PAGE also partnered with the Office of the UN Resident Coordinator and the University of the Pacific to host a discussion on green growth between the technical teams of the two presidential candidates, which catalysed affirmations and pledges of support for the sustainability agenda from the incoming government.

To build institutional capacity in assessment and policy design, PAGE has supported trainings, expert consultations and on-the-job learning for the formulation and use of short-, medium- and long-term economic models aligned with green growth. Key beneficiaries of this work include the Ministry of Industry, the University of the Pacific and the National Strategic Planning Centre—the government's focal point for the SDGs. For example, an ongoing on-the-job-training uses the Integrated Green Economy Modelling tool to analyse the impact of the Nationally Appropriate Mitigation Action in the cement industry. PAGE is also working to design two courses on green growth and development and green economy modelling, which the University of the Pacific will offer as a regular course within its curriculum from 2019.

LOOKING FORWARD: CHALLENGES AND OPPORTUNITIES

A green economy transition in Peru will require ongoing political support, the institutionalization of green economy principles across ministries, and a strong commitment to build alliances between the government, the private sector and social partners. At the same time, the country seeks to manage the risk from climate change and to create new, sustainable opportunities for its workforce. To ensure the sustainability of the transition, PAGE is supporting the Ministry of Environment to develop financing mechanisms for green economy measures. Over the last years, PAGE has also built synergies with a variety of other organizations active in the field, including, for example, with the European Union-funded mechanism SOCIEUX+ to support the implementation of the National Green Jobs Policy, with the Green Economy Coalition National Hub, and with GIZ's work linking green economy and climate action. Going forward, an important challenge will be to incorporate and adopt Peru's path for green growth in national policy frameworks, including in the forthcoming National Competitiveness and Productivity Plan. This will provide the enabling environment for sustainability of PAGE results and future support from other partners such as GIZ.



Since its inception in 2013, The Partnership for Action on Green Economy (PAGE) has grown into a prominent alliance of five UN agencies, eight funding partners, and eighteen countries that work together to transform economies into drivers of sustainability.

Thanks to this integrated approach and support of a wide range of partners, PAGE is increasingly recognized as a model to deliver coordinated support to countries for achieving Sustainable Development Goals (SDGs) and targets of the Paris Agreement.

MORE INFORMATION ON PAGE PERU:

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