

UNIDO**ONUDI**

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
 ORGANISATION DES NATIONS UNIES POUR LE DEVELOPPEMENT INDUSTRIEL

Progress Report
 (01 July 2018 – 30 June 2019)

Name of country Peru

Title¹	Sustainable Industrial Zone Development in Peru
GEF ID:	9206
UNIDO SAP ID:	150061
GEF Replenishment Cycle:	GEF-6
GEF Focal Area:	Persistent Organic Pollutants (POPs)
Integrated Approach Pilot (IAP) Programs²:	(select)
GEF Project Size:	Full-Sized Project (FSP)
UNIDO PTC Department:	Department of Environment (ENV)
UNIDO Project Manager:	Petra Schwager

I. Brief description of the project

I.1 Objective: To enhance regulatory mechanisms for sustainable industrial zone (SIZ) development and increased adoption and diffusion of low-carbon and clean technologies and practices, to reduce unintentional POPs (uPOPs), greenhouse gases (GHG), air pollutants and improve sound chemicals management in one Peruvian industrial zone.

Project Core Indicators	Expected emission reduction at Endorsement/Approval stage
Greenhouse Gas Emissions Mitigated (tons of CO ₂ e)	1,352,719 tCO ₂ eq
POPs	8.92 u-POPs (g TEQ/a)

¹ As per approved CEO Endorsement document

² Only for **GEF-6 projects**, if applicable

I.2 Baseline: Despite efforts to promote environmental management systems and regulations in recent years, Peru faces a number of environmental challenges, the majority of which are concentrated in regions of high industrial activity, such as Callao and Lima. Additionally, there are a number of barriers to addressing these challenges, which include: policy and institutional framework, technology, information, delivery skills and financing.

The industrial activities in Lima and Callao generate a wide range of pollutants. Significant GHG emissions of industrial activities are mainly caused by food, fish processing, chemical, metal/foundries, plastic and textile industries due to industrial operations with high heat requirements, inefficient technology (low-tech and old technology), losses due to bad insulation and inadequate operation and maintenance. Further inadequate operation of cooling systems lead to liberation of refrigerants agents with very high GWP (global warming potential). Substantial other air pollutants acting as precursors for GHG like NMVOC, SO₂, NO_x and CO were reported as well (e.g. by the Regional Health Department of Callao (DIRESA-Callao)).

II. Targeted results and progress to-date

II.1 Describe in tabular form the project's progress made in achieving its outputs against key performance indicator's targets in the project's **M&E Plan/Log-Frame at the time of CEO Endorsement/Approval**. Please expand the table as needed.

Project Strategy	KPIs/Indicators	Target level	Progress to-date
Component 1 –Policy framework for sustainable industrial zone development			
Outcome 1.1: Regulations for the planning and management of sustainable industrial zones including policies on industrial pollution management and responsibilities in industrial zones developed and proposed to the government for approval.			
Output 1.1: Regulation, planning aids, and policies for sustainable industrial zone master planning developed and submitted to the government for approval.	At least 3 policy instruments developed Road map for Callao and Peru (including gender and environmental measures) developed and lessons learned documented (1) At least one database on environmental pollutants caused by industry developed (1)	1 policy instrument developed 1 road map elaborated	Two reports elaborated that provide the basis for the road map: -Baseline study on "national strategy for industrial zones and parks development". - Concept paper on sustainable industrial zones in Peru.
Outcome 2.1 Improved level of expertise in sustainable industrial zone themes amongst representatives of private and public sectors			
Output 1.2: Proposal for financial and non-financial mechanisms and incentives drafted and submitted	At least two proposals for financial and non-financial mechanisms drafted (2)	N/A	Nothing to report
Component 2 - Capacity building on sustainable industrial zone planning			
Outcome 2.1 Improved level of expertise in sustainable industrial zone themes amongst representatives of private and public sectors.			

Output 2.1.1. Training modules delivered for planning of sustainable industrial zone	At least 5 training modules developed and delivered 30 people trained, 30% women and 70% men (30)	2 training modules carried out	Nothing to report
Output 2.1.2. Training modules delivered for resource-efficient and cleaner production, clean and low-carbon technologies	At least 10 training modules developed and delivered (10) 30 people trained, 30% women and 70% men (30)	6 training modules carried out	Nothing to report
Output 2.1.3. Training modules delivered for sound chemicals management	At least 7 training modules developed and delivered (10) 20 people trained, 30% women and 70% men (30)	5 training modules carried out	Nothing to report
Output 2.1.4 Upgrade of the existing national database for environmental consultants in the field of low carbon, cleaner production (RECP) and SAICM	One national registry with at least 100 qualified consultants (100)	National registry developed	Nothing to report
Outcome 2.2 Improved and disseminated collaboration between companies, government and financial institutions in environmental management and concluded investments			
Output 2.2.1 Technical Unit for sustainable industrial zone development established.	One national registry with at least 100 qualified consultants (100)	N/A	Nothing to report
Component 3. - Pilot demonstration of clean and low-carbon technologies			
Outcome 3.1 Potential companies and services determined in industrial zone Callao, strategy on clean and low-carbon technology developed.			
Output 3.1.1 Detailed feasibility studies for technology application and transfer and cleaner production assessments carried out.	90 companies identified (90) 35 feasibility studies completed and submitted to companies	90 companies identified	The study on updating the baseline of emissions of u-POPs in the industrial zone developed.
Outcome 3.2 Inclusive socio-economic projects assessed and initiated.			
Output 3.2.1. Set of inclusive socio-economic projects identified	At least 5 socio-economic projects Investment of USD 35 million in socio-economic projects	N/A	Nothing to report
Outcome 3.3. Increased public awareness on sustainable industrial zones.			

Output 3.3.1. Public awareness and communication events held and project results disseminated.	At least 8 institutions participate in the industrial zone development project (8) At least 10 public events for awareness raising At least 1000 people participate in awareness raising events (1000), 30% women and 70% men At least two gender specific training (2)	8 institutions involved in the project 3 awareness raising events 300 people has participated in the awareness raising seminars	The website of the project is under construction
Outcome 3.4. New installations of clean technologies and practices in selected companies implemented and financed.			
Output 3.4.1 Access to alternative finance established; clean technology investment projects selected.	35 companies adopt clean and low carbon practices 305,987 tCO ₂ eq 1,492,700 u-POPs (µg TEQ/a) At least 3 financial mechanisms for clean and low carbon investments	Not yet applicable	Nothing to report
Component 4. Monitoring and Evaluation			
Outcome 4.1 Monitoring and evaluation procedures.			
Output 4.1.1 Monitoring and Evaluation mechanism implemented.	One monitoring and evaluation framework for the project developed One mid-term evaluation and one terminal evaluation carried out	Monitoring framework established	Nothing to report

III. Project Risk Management

III.1 Please indicate the overall risk management: (i) as identified in the CEO Endorsement document, and (ii) progress to-date.

	(i) Risks	(i) Risk level	(i) Mitigation measures	(ii) Progress to-date	New defined risk ³
	Delays in the approval of the implementation agreement between the Ministry of Production and UNIDO hinder the timely project execution	High risk	The development of guidelines for a standard implementation agreements, is expected to ease a faster approval. This is especially relevant in countries with frequent government changes and high fluctuation in ministerial staff.	Following several exchanges of highly complex and comprehensive draft implementation agreements and changes of the responsible officer in the Ministry of Production, UNIDO developed a simplified version of the implementation agreement (fully aligned with the CEO Endorsement document). This document was accepted by the Ministry of Production and is expected to be signed in September 2019.	x
1	Delay in the approval of the proposed regulations for the planning and management of sustainable industrial zones	Modest risk (M)	The development of official guidelines, prior to the elaboration of full regulations, is expected to ensure faster approval. The institutional capacity building component of the project will provide training to the government and other stakeholders and may reduce the risk.	An implementation agreement will be signed between the Ministry of Production of Peru (PRODUCE) and UNIDO. After a number of agreement exchanges proposals the final proposal will be sent from PRODUCE and revised by UNIDO. Signing of the agreement is foreseen by the end of September.	<input type="checkbox"/>
2	Lack of participation of representatives from the government, industrial zone environment committees and businesses in the trainings and / or reluctance to transfer the knowledge to other stakeholders	Low risk (L)	Competences gained in the training encompass a variety of technologies, planning and environmental protection approaches; these represent a competitive advantage for the careers of the representatives trained. The endorsement from the respective institutions and the thorough selection criteria for the participants and instructors may reduce the risk.	Not yet relevant,	<input type="checkbox"/>
3	Reluctance from companies to collaborate with the Regional Government of Callao and other public entities to engage with the PMU	Modest risk (M)	The PMU will offer sub-contracting opportunities for local companies in areas such as facilities management and environmental consulting, which will help incentivise companies to join the registry and improve their collaboration with the regional authorities.	Not yet relevant,	<input type="checkbox"/>

³ New risk added in reporting period. Check only if applicable.

4	Limited number of companies willing to be assessed and interested in clean technology investments.	Low risk (L)	Baseline data and information on companies already gathered in the project formulation phase. This, along with dissemination workshops on opportunities for companies, should facilitate the recruitment and reduce the risk.	Not yet relevant,	<input type="checkbox"/>
5	Limited interest in investing in socio-economic projects that change core processes of the firm.	Low risk (L)	Suitable experts on socio-economic projects involving clean and low-carbon technologies will elaborate cost-benefit analysis together with the company's management, to illustrate the benefits of implementing such projects.	Not yet relevant,	<input type="checkbox"/>
6	Delay in the selection of the stakeholders to implement the awareness-raising component may affect the dissemination of results.	Low risk (L)	Support from the central government in the establishment of criteria for the selection of stakeholders will reduce the risk	Not yet relevant,	<input type="checkbox"/>
7	Lack of sufficient financial resources for investments in clean and low-carbon technologies.	Modest risk (M)	The project envisages a variety of financing sources for companies including green credit lines or bank guarantees (in case of insufficient collateral), which should help improve creditworthiness and should reduce the risk of limited access to finance.	Not yet relevant,	<input type="checkbox"/>
8	Skilled and/or properly trained labour to operate and maintain the clean & low-carbon technology not available.	Low risk (L)	The implementation of the new technologies will be accompanied and supervised by the technology suppliers. Emphasis will be put on training to ensure that workers can operate and maintain the technology properly. A Technical Unit will provide continues support to companies.	Not yet relevant,	<input type="checkbox"/>
9	Delays in project implementation and/ or low quality performance	Low risk (L)	Following carefully the established monitoring and evaluation plan will allow for timely implementation and high quality results.	Not yet relevant,	<input type="checkbox"/>

10	Increased rainfall due to climate change causes flooding and damages newly-installed equipment	Low risk (L)	Climate considerations will be made when selecting locations for installing equipment in companies.	Not yet relevant,	<input type="checkbox"/>
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III.2 If the project received a sub-optimal risk rating (H, S) in the previous reporting period, please state the actions taken since then to mitigate the relevant risks.

N/A

IV Environmental and Social Safeguards (ESS) & Stakeholder Engagement

IV.1 As part of the requirements for **projects from GEF-6 onwards**, and based on the screening as per the UNIDO Environmental and Social Safeguards Policies and Procedures (ESSPP), which category is the project?

☐ Category A project

☒ Category B project

☐ Category C project

(By selecting Category C, I confirm that the E&S risks of the project have not been escalated to Category A or B).

	E&S risk	Mitigation measures undertaken during the reporting period	Monitoring methods and procedures used in the reporting period
(i) Risks identified in ESMP at time of CEO Endorsement	Machinery movement Transit of heavy vehicles and transport of materials Implementation of small works Generation of demolition and construction waste	Not yet applicable, the project has not started the in company technical advice	N/A
(ii) New risks identified during project implementation (if not applicable, please insert 'NA' in each box)			

IV.2 Please provide any feedback submitted by co-financiers, and other Partners/Stakeholders of the project (e.g. private sector, CSOs, NGOs, etc.).

Nothing to report

IV.3 Please provide any **relevant stakeholder consultation documents**:

A Project Steering Committee meeting was organized on January 23, 2019, however, due to the absence of a signed project implementation agreement, the meeting was not officially recognized.

Please refer to Annex 1 for further details on the meeting.


V Knowledge Management

V.1 Please provide any **relevant knowledge management mechanisms / tools** that the project has generated:

Nothing to report

VI Financial report

VI.1 **Financial** implementation of the project:



PROJECT DELIVERY REPORT

Project:

150061 - SUSTAINABLE INDUSTRIAL ZONE DEVELOPMENT IN PERU

Project Manager:

Petra Schwagerkederst

Project Validity:

01.06.2016 - 01.06.2022

Implement

Reporting Period:

30.01.2018 - 30.06.2019

Project Theme:

Energy and Environment

Country:

Peru

Region

The Americas

Sponsor Nr.

Sponsor

Grant

Grant Description

Fund

Currency

Grant Status

Grant Validity

400150

Global Environment Facility

2000003894

PERU_IND_DEV


GF

USD


Authority to implement

30.05.2018 - 30.05.2022

	Description	Released Budget Current Year (a)	Obligations Current Year (b)	Disbursements Current Year (c)	Expenditures Current Year (d=b+c)	Total Agreement Budget (e)	Released Budget (f)	Obligations + Disbursements (g)	Funds Available* (h=f-g)	Support Cost (i)	Total Expenditures (j=g+i)
2000003894											
150061-1-01-01	1.1.1 Regulation,planning aids,policies	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	38,616.36	(9,068.29)	11,022.89	1,954.60	93,000.00	93,000.00	29,338.24	63,661.76	0.00	29,338.24
1500	Local travel	(4,184.75)	(1,900.58)	1,847.73	(52.85)	8,000.00	8,000.00	8,131.90	(131.90)	0.00	8,131.90
1700	Nat.Consult./Staff	38,400.00	0.00	0.00	0.00	53,400.00	53,400.00	0.00	53,400.00	0.00	0.00
3000	Train/Fellowship/Study	25,000.00	0.00	0.00	0.00	32,500.00	32,500.00	0.00	32,500.00	0.00	0.00
4500	Equipment	40,000.00	0.00	0.00	0.00	40,000.00	40,000.00	0.00	40,000.00	0.00	0.00
5100	Other Direct Costs	1,700.00	0.00	0.00	0.00	3,100.00	3,100.00	0.00	3,100.00	0.00	0.00
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,559.63	3,559.63
150061-1-01-01	Total	139,531.61	(10,968.87)	12,870.62	1,901.75	230,000.00	230,000.00	37,470.14	192,529.86	3,559.63	41,029.77
150061-1-02-01	2.1.1 Training modules for SIZ planning	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	52,500.00	0.00	1,118.35	1,118.35	64,500.00	64,500.00	1,118.35	63,381.65	0.00	1,118.35
1500	Local travel	6,329.01	0.00	0.00	0.00	16,100.00	16,100.00	4,670.99	11,429.01	0.00	4,670.99
1700	Nat.Consult./Staff	44,100.00	0.00	0.00	0.00	67,600.00	67,600.00	0.00	67,600.00	0.00	0.00
3000	Train/Fellowship/Study	30,000.00	0.00	0.00	0.00	60,000.00	60,000.00	0.00	60,000.00	0.00	0.00
4500	Equipment	5,000.00	0.00	0.00	0.00	5,000.00	5,000.00	0.00	5,000.00	0.00	0.00
5100	Other Direct Costs	1,700.00	0.00	0.00	0.00	5,200.00	5,200.00	1,000.00	4,200.00	0.00	1,000.00
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	644.96	644.96
150061-1-02-01	Total	139,629.01	0.00	1,118.35	1,118.35	218,400.00	218,400.00	6,789.34	211,610.66	644.96	7,434.30

 PROJECT DELIVERY REPORT		Project:	150061 - SUSTAINABLE INDUSTRIAL ZONE DEVELOPMENT IN PERU	Project Manager:	Petra Schwagerkederst	Project Validity: Status:	01.06.2016 - 01.06.2022 Implement
Reporting Period:	30.01.2018 - 30.06.2019	Project Theme:	Energy and Environment	Country:	Peru	Region	The Americas
Sponsor Nr.	Sponsor	Grant	Grant Description	Fund	Currency	Grant Status	Grant Validity
400150	Global Environment Facility	2000003894	PERU_IND_DEV	GF	USD	Authority to implement	30.05.2018 - 30.05.2022

	Description	Released Budget Current Year (a)	Obligations Current Year (b)	Disbursements Current Year (c)	Expenditures Current Year (d=b+c)	Total Agreement Budget (e)	Released Budget (f)	Obligations + Disbursements (g)	Funds Available* (h=f-g)	Support Cost (i)	Total Expenditures (j=g+i)
150061-1-02-02	2.2.1 Technical Unit for SIZ development	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	21,000.00	0.00	0.00	0.00	24,000.00	24,000.00	0.00	24,000.00	0.00	0.00
1500	Local travel	(2,183.19)	0.00	0.00	0.00	5,000.00	5,000.00	7,183.19	(2,183.19)	0.00	7,183.19
1700	Nat.Consult./Staff	17,600.00	0.00	0.00	0.00	33,600.00	33,600.00	0.00	33,600.00	0.00	0.00
3000	Train/Fellowship/Study	10,000.00	0.00	0.00	0.00	20,000.00	20,000.00	0.00	20,000.00	0.00	0.00
5100	Other Direct Costs	6,880.40	0.00	1,750.00	1,750.00	14,000.00	14,000.00	2,869.60	11,130.40	0.00	2,869.60
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	955.01	955.01
150061-1-02-02	Total	53,297.21	0.00	1,750.00	1,750.00	96,600.00	96,600.00	10,052.79	86,547.21	955.01	11,007.80
150061-1-03-01	3.1.1 Feasibility studies and assessment	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	225,523.49	0.00	3,230.81	3,230.81	349,500.00	349,500.00	7,207.32	342,292.68	0.00	7,207.32
1500	Local travel	80,640.88	(2,573.96)	3,421.29	847.33	144,000.00	144,000.00	10,706.45	133,293.55	0.00	10,706.45
1700	Nat.Consult./Staff	94,564.98	(3,482.07)	3,611.83	129.76	274,500.00	274,500.00	10,864.78	263,635.22	0.00	10,864.78
2100	Contractual Services	0.00	0.00	825.00	825.00	0.00	0.00	825.00	(825.00)	0.00	825.00
3000	Train/Fellowship/Study	28,000.00	0.00	0.00	0.00	76,000.00	76,000.00	0.00	76,000.00	0.00	0.00
4500	Equipment	10,000.00	0.00	0.00	0.00	21,200.00	21,200.00	0.00	21,200.00	0.00	0.00
5100	Other Direct Costs	9,233.59	0.00	92.84	92.84	23,800.00	23,800.00	2,659.25	21,140.75	0.00	2,659.25
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,064.96	3,064.96
150061-1-03-01	Total	447,962.94	(6,056.03)	11,181.77	5,125.74	889,000.00	889,000.00	32,262.80	856,737.20	3,064.96	35,327.76
150061-1-03-02	3.4.1 Access to alternative finance	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	90,000.00	0.00	0.00	0.00	162,000.00	162,000.00	0.00	162,000.00	0.00	0.00
1500	Local travel	22,000.00	0.00	0.00	0.00	42,000.00	42,000.00	0.00	42,000.00	0.00	0.00
1700	Nat.Consult./Staff	27,200.00	0.00	0.00	0.00	62,400.00	62,400.00	0.00	62,400.00	0.00	0.00
4500	Equipment	1,000,000.00	0.00	0.00	0.00	2,008,000.00	2,008,000.00	0.00	2,008,000.00	0.00	0.00
5100	Other Direct Costs	2,200.00	0.00	0.00	0.00	5,600.00	5,600.00	1,000.00	4,600.00	0.00	1,000.00
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95.00	95.00
150061-1-03-02	Total	1,141,400.00	0.00	0.00	0.00	2,280,000.00	2,280,000.00	1,000.00	2,279,000.00	95.00	1,095.00

 PROJECT DELIVERY REPORT		Project:	150061 - SUSTAINABLE INDUSTRIAL ZONE DEVELOPMENT IN PERU	Project Manager:	Petra Schwagerkederst	Project Validity: Status:	01.06.2016 - 01.06.2022 Implement
Reporting Period:	30.01.2018 - 30.06.2019	Project Theme:	Energy and Environment	Country:	Peru	Region	The Americas
Sponsor Nr.	Sponsor	Grant	Grant Description	Fund	Currency	Grant Status	Grant Validity
400150	Global Environment Facility	2000003894	PERU_IND_DEV	GF	USD	Authority to implement	30.05.2018 - 30.05.2022

	Description	Released Budget Current Year (a)	Obligations Current Year (b)	Disbursements Current Year (c)	Expenditures Current Year (d=b+c)	Total Agreement Budget (e)	Released Budget (f)	Obligations + Disbursements (g)	Funds Available* (h=f-g)	Support Cost (i)	Total Expenditures (j=g+i)
150061-1-02-02	2.2.1 Technical Unit for SIZ development	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	21,000.00	0.00	0.00	0.00	24,000.00	24,000.00	0.00	24,000.00	0.00	0.00
1500	Local travel	(2,183.19)	0.00	0.00	0.00	5,000.00	5,000.00	7,183.19	(2,183.19)	0.00	7,183.19
1700	Nat.Consult./Staff	17,600.00	0.00	0.00	0.00	33,600.00	33,600.00	0.00	33,600.00	0.00	0.00
3000	Train/Fellowship/Study	10,000.00	0.00	0.00	0.00	20,000.00	20,000.00	0.00	20,000.00	0.00	0.00
5100	Other Direct Costs	6,880.40	0.00	1,750.00	1,750.00	14,000.00	14,000.00	2,869.60	11,130.40	0.00	2,869.60
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	955.01	955.01
150061-1-02-02	Total	53,297.21	0.00	1,750.00	1,750.00	96,600.00	96,600.00	10,052.79	86,547.21	955.01	11,007.80
150061-1-03-01	3.1.1 Feasibility studies and assessment	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	225,523.49	0.00	3,230.81	3,230.81	349,500.00	349,500.00	7,207.32	342,292.68	0.00	7,207.32
1500	Local travel	80,640.88	(2,573.96)	3,421.29	847.33	144,000.00	144,000.00	10,706.45	133,293.55	0.00	10,706.45
1700	Nat.Consult./Staff	94,564.98	(3,482.07)	3,611.83	129.76	274,500.00	274,500.00	10,864.78	263,635.22	0.00	10,864.78
2100	Contractual Services	0.00	0.00	825.00	825.00	0.00	0.00	825.00	(825.00)	0.00	825.00
3000	Train/Fellowship/Study	28,000.00	0.00	0.00	0.00	76,000.00	76,000.00	0.00	76,000.00	0.00	0.00
4500	Equipment	10,000.00	0.00	0.00	0.00	21,200.00	21,200.00	0.00	21,200.00	0.00	0.00
5100	Other Direct Costs	9,233.59	0.00	92.84	92.84	23,800.00	23,800.00	2,659.25	21,140.75	0.00	2,659.25
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,064.96	3,064.96
150061-1-03-01	Total	447,962.94	(6,056.03)	11,181.77	5,125.74	889,000.00	889,000.00	32,262.80	856,737.20	3,064.96	35,327.76
150061-1-03-02	3.4.1 Access to alternative finance	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	90,000.00	0.00	0.00	0.00	162,000.00	162,000.00	0.00	162,000.00	0.00	0.00
1500	Local travel	22,000.00	0.00	0.00	0.00	42,000.00	42,000.00	0.00	42,000.00	0.00	0.00
1700	Nat.Consult./Staff	27,200.00	0.00	0.00	0.00	62,400.00	62,400.00	0.00	62,400.00	0.00	0.00
4500	Equipment	1,000,000.00	0.00	0.00	0.00	2,008,000.00	2,008,000.00	0.00	2,008,000.00	0.00	0.00
5100	Other Direct Costs	2,200.00	0.00	0.00	0.00	5,600.00	5,600.00	1,000.00	4,600.00	0.00	1,000.00
9300	Support Cost IDC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95.00	95.00
150061-1-03-02	Total	1,141,400.00	0.00	0.00	0.00	2,280,000.00	2,280,000.00	1,000.00	2,279,000.00	95.00	1,095.00

VII Work Plan and Budget

VII.1 Please provide an **updated project work plan and budget** for the remaining duration of the project, as per last approved project extension. Please expand/modify the table as needed.

9206 GEF Project Sustainable Industrial Zones Development in Peru

	Total	Yr 1				Yr 2				Yr 3				Yr 4			
		Y1-Q2	Y1-Q3	Y1-Q4	Y2-Q1	Y2-Q2	Y2-Q3	Y2-Q4	Y3-Q1	Y3-Q2	Y3-Q3	Y3-Q4	Y4-Q1	Y4-Q2	Y4-Q3	Y4-Q4	
Component 1. Policy framework for sustainable industrial zone development																	
Outcome 1.1 Regulations for the planning and management of sustainable																	
Output 1.1.1 Regulation, planning aids, and policies for sustainable	154,500																
Activity 1.1.1.1 Assessment and development of the sustainable industry zones regulatory framework.	36000																
Activity 1.1.1.2 Engagement of the public and private sector in the sustainable industrial zone development with a multi-stakeholder approach	12000																
Activity 1.1.1.3 Development of a road map for sustainable industrial zone development	36500																
Activity 1.1.1.4 Compilation of information for updating of baseline information concerning industrial zones in Peru and associated social, economic and environmental externalities, with a focus on SMEs in Lima and Callao provinces.	53000																
Activity 1.1.1.5 Design of methodologies and tools for planning, analysis and evaluation of industrial zones in Peru, including business needs, infrastructure and services, and reduction of vulnerabilities to climate change.	17000																
Outcome 1.2: Policies on financial and non-financial incentives for promoting																	
Output 1.2.1 Proposal for financial and non-financial mechanisms and	80,500																
Activity 1.2.1.1 Design and submission of financial and non-financial mechanisms and incentives for cleaner production focused on SME.	27000																
Activity 1.2.1.2 Advocacy with existing financial actors offering loan instruments for investment in low-carbon and clean technologies to secure continuation and expansion of these services.	33500																
Activity 1.2.1.3 Development of mechanisms to facilitate the application of environmental management instruments	20000																
Component 2. Capacity building on sustainable industrial zone planning																	
Outcome 2.1 Improved level of expertise in sustainable industrial zone																	
Output 2.1.1. Training modules delivered for planning of sustainable	58,300																
Activity 2.1.1.1 Design and deliver training modules for planning of sustainable industrial zones	39000																
Output 2.1.2. Training modules delivered for resource-efficient and	80,200																
Activity 2.1.2.1 Update information regarding the capacity needs for sustainable zone development focusing on policy development, management and planning skills, services required for the industry and financial incentives development	10500																
Activity 2.1.2.2 Design and deliver training modules for resource efficient and cleaner production technologies.	69700																
Output 2.1.3. Training modules delivered for sound chemicals	67,400																
Activity 2.1.3.1 Design and deliver training modules for sound chemicals management	67400																
Output 2.1.4 Upgrade of the existing national database for environmental	12,500																
Activity 2.2.1.1 Upgrade of the national database of PRODUCE for environmental consultants in the field of cleaner production and sound chemicals management	12500																
Outcome 2.2 Improved and disseminated collaboration between companies,																	
Output 2.2.1 Technical Unit for sustainable industrial zone development	96,600																
Activity 2.2.1.1 Developing national capacities for the establishment of technical units for sustainable industrial zones	20000																
Activity 2.2.1.2 Design a technical unit for sustainable industrial zone development of Callao	8500																
Activity 2.2.1.3 Improved collaboration between stakeholders, including companies, national and subnational governments	9500																
Activity 2.2.1.4 Establishment of the sustainable industrial zone technical unit	58500																
Component 3. Pilot demonstration of clean and low-carbon technologies																	
Outcome 3.1 Potential companies and services determined in industrial zone																	
Output 3.1.1 Detailed feasibility studies for technology application and	587,700																
Activity 3.1.1.1 Implementation of RECP assessments and pre-feasibility studies for technological upgrading	324000																
Activity 3.1.1.2 Selection of proposals from SME industries for investment in low-emission production technologies.	85000																
Activity 3.1.1.3 Technical and economic feasibility studies for application of low-carbon, cleaner production methodologies in selected companies	172000																
Outcome 3.2 Inclusive socio-economic projects assessed and initiated																	
Output 3.2.1. Set of inclusive socio-economic projects identified and	110,000																
Activity 3.2.1.1 Feasibility studies of options to improve infrastructure and utility services in industrial zone in Callao, including assessment of industry needs, reduction of GHG, improved logistics and facilities, and investment plan.	110000																
Outcome 3.3 Increased public awareness on sustainable industrial zones																	
Output 3.3.1. Public awareness and communication events held and	191,300																
Activity 3.3.1.1 Design and implementation of promotional activities, communication plans and management of change activities.	191300																
Outcome 3.4 New installations of clean technologies and practices in selected																	
Output 3.4.1. Access to alternative finance established; clean technology	2,280,000																
Activity 3.4.1.1 Investment in improved infrastructure and utility services in Callao, enabling a low-GHG and u-POPs emissions development path compared to the baseline scenario.	1724000																
Activity 3.4.1.2 Implementation of low-emission, cleaner production technologies and processes in SME industries in the Callao pilot	556000																
Component 4: M&E																	
Outcome 4.1: Monitoring and evaluation procedures																	
Output 4.1.1 Monitoring and evaluation mechanism implemented.	200,000																
Activity 4.1.1.2 Monitoring of project progress and compliance with UNIDO and GEF guidelines and safeguards on social (including gender) and environmental impact.	107500																
Activity 4.1.1.3 Implementation of Mid-term Review and independent Terminal Evaluation	92500																
Project Management Costs (PMC)	195,000																
Hiring the National Project Director	134000																
Establishment of the Project office in Produce	8000																
Carry out the first PSC meeting	10000																
Hire a National Project Administrative Assistant	63000																

VIII Synergies

VIII.1 **Synergies** achieved:

- The Ministry of Production is currently developing the national strategy for industrial parks development. The strategy will outline the institutional and governance model of the national system of industrial parks and create an adequate regulatory framework. Important synergies are expected in developing a policy framework for sustainable industrial zone development.
- Women empowerment in Green Industry: This project has been approved and during its implementation will allow strengthening the gender mainstreaming activities of the present GEF project.
- National Circular Economy Roadmap: The Ministry of Environment in cooperation with the Ministry of Production is currently implementing the National Circular Economy Roadmap which focuses on sustainable development of industry. It will contribute to fostering policy dialogue and the awareness raising on sustainable industrial zones.
- Eco-Industrial Parks: The elaboration of a national project on eco-industrial parks is on-going and expected to be launched in October 2019. It will create synergies with the current GEF project in the area of capacity building and creating a policy framework for sustainable industrial zones.

**ANNEX 1
PROJECT STEERING COMMITTEE MEETING**

**ACTA DE PRIMERA REUNIÓN ORDINARIA DEL COMITÉ
INTERINSTITUCIONAL PARA LA IMPLEMENTACIÓN DEL PROYECTO
“DESARROLLO DE ZONAS INDUSTRIALES SOSTENIBLES EN EL PERÚ -CIIP”**

Siendo las 10:00 horas de la mañana del día 23 de enero del 2019, se dio inicio a la Primera Reunión Ordinaria del Comité Interinstitucional para la implementación del Proyecto “Desarrollo de Zonas Industriales Sostenibles en el Perú -CIIP”, en el Auditorio del Ministerio de la Producción, con la presencia de los representantes de las entidades que reconforman dicha comisión.

I. AGENDA:

10:15 – 10:25	Palabras de Bienvenida <ul style="list-style-type: none">• Sr. Javier Dávila Quevedo Viceministro de MYPE e Industria, Ministerio de la Producción
10:25 – 10:40	Presentación del Proyecto GEF 9206 “Desarrollo de Zonas Industriales Sostenibles en el Perú” <ul style="list-style-type: none">• Sra. Sahda Fayad Valverde Directora Nacional del Proyecto Zonas Industriales Sostenibles Coordinadora Ejecutiva del Programa Nacional de Diversificación Productiva, Ministerio de la Producción
10:40 – 11:25	Presentación del Plan de Trabajo 2019 e intervenciones de los integrantes del Comité <ul style="list-style-type: none">• Sr. César Llona Silva Coordinador Nacional del Proyecto Zonas Industriales Sostenibles.
11:25 – 11:40	Estado de Situación <ul style="list-style-type: none">• Línea base en materia de Contaminantes Orgánicos Persistentes No Intencionales (COP’s NI) Ing. Marisa Quiñones Consultora del Proyecto GEF 9206
11:40 – 11:50	Próximas Acciones <ul style="list-style-type: none">• Sra. Petra Schwager Directora del Programa de Alianza para Países Perú (PCP -Perú), ONUDI

II. DESARROLLO DE LA AGENDA

- Siendo las 10:16 am, tomó la palabra el Sr. Vice Ministro Javier Dávila, quien señaló la importancia del proyecto, el cual busca promover un desarrollo industrial sostenible, mediante adopción de herramientas como las buenas prácticas ambientales , por parte del sector industrial.
- Acto seguido tomó la palabra la Srta. Sahda Fayad, Directora del Proyecto ZIS, y Coordinadora Ejecutiva del Programa Nacional de diversificación Productiva resaltando en su presentación, los siguiente puntos: Contextos del proyecto, objetivos, componentes y resultados esperados, la función orientadora y de asistencia técnica del del Comité Interinstitucional para el proyecto, asistencia técnica.
- A continuación, toma la palabra el Sr. César Llona, Coordinador Nacional del proyecto de Desarrollo de Zonas Industriales del Perú, presentando el Plan de Trabajo 2019, aclarando que el plan detalla actividades a partir del año 1 del proyecto (que se considera de Junio del 2018 a junio del 2019) pero que dada la periodicidad anual de las reuniones ordinarias del CIIP, este plan engloba también las actividades a desarrollarse hasta finales del 2019. Señaló la importancia de las actividades de tipo “disparador” que se vienen desarrollando como el diagnóstico de línea de base de estimación de Contaminantes orgánicos persistentes no intencionales (COPs NI), así como la de realizar la línea de base regulatoria, para desarrollar un correcto flujo regulatorio que permita proponer políticas en el tema de desarrollo de zonas industriales sostenibles.
- Posteriormente, Marisa Quiñones, Consultora del Proyecto, expuso acerca de los (COPs NI) y de los avances de la Línea base en materia de Contaminantes Orgánicos Persistentes No Intencionales (COP’s NI).
- Finalmente, la señora Petra Schwager expresó su satisfacción por la realización de la Primera Reunión del CIIP y destacó la importancia del Proyecto para ONUDI y para el desarrollo productivo sostenible del país. De igual manera, destacó algunas de las actividades venideras y su importancia.
- Acto Seguido, el Sr. César Llona, invitó a los representantes de las instituciones convocadas a realizar sus comentarios.
- El Sr. Carlos Posada, representante de la Cámara de Comercio de Lima manifestó su entusiasmo por la puesta en marcha del proyecto, a su vez que sugirió que el proyecto dialogue con los distintos proyectos ya existentes en la materia, así como considerar la delimitación de zonas industriales y la inclusión de otros actores relevantes como la Autoridad Nacional Portuaria y la OEFA.
- El Sr. Miguel Sanchez, representante de la Autoridad Nacional del agua, comentó su preocupación por las empresas que aún se encuentran realizando vertimientos en cuerpos de agua, sin el debido tratamiento y sugirió considerar especialmente este tema en el Proyecto.

- El Sr. Dante Carhuavilca, representante de la Sociedad Nacional de Industria mostró su preocupación por la poca respuesta de las empresas convocadas a participar del proyecto, lo cual al parecer está relacionado al temor de ser fiscalizadas, por tanto, sugirió realizar campañas de difusión, sensibilización a los gremios a fin de que puedan difundir a los empresarios los beneficios de participar en el proyecto.
- La Srta. Giulana Becerra, representante del Ministerio del Ambiente, expresó el compromiso de su institución y resaltó que se viene realizando avances en la normativa referente a sustancias químicas, actualizando inventarios, estudios en el tema, en el marco del convenio de Estocolmo. Indicó así mismo la importancia de comunicar los riesgos asociados al uso y exposición de sustancias químicas, para lo cual solicitó una estrecha coordinación dadas las actividades del Proyecto relacionadas con este tema.
- El Sr. Fernando Munive, representante de la Asociación de Exportadores, expresó el compromiso de apoyo al proyecto de su institución y comentó que las empresas que más colaboran con el proyecto, serían las que ya se encuentran trabajando de acuerdo a la normativa ambiental vigente.
- La Srta. Hermelinda Perez, representante del Municipio Provincial del Callao, manifestó su compromiso con el Proyecto e indicó que la nueva gestión municipal ya se encuentra trabajando en el ordenamiento territorial y capacitaciones en búsqueda del desarrollo sostenible en el Callao.
- El representante de Provías Nacional del Ministerio de Transporte y Comunicaciones, consultó al respecto de la metodología utilizada para la estimación de COPs NI (encuestas) y solicitó evaluar la posibilidad de basarse en datos estadísticos.
- Las palabras finales fueron dadas por la Sra Petra Schwager, Directora del Programa País – PCP Perú ONUDI que clausuró el evento agradeciendo la participación, los comentarios y apoyos expresados durante la presente reunión.
- Los asistentes convinieron en la importancia de avanzar en la ejecución de las actividades presentadas como parte del plan de trabajo, el cual fue expuesto y entregado.
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