



# GEF-6 PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Medium-sized Project

TYPE OF TRUST FUND: Capacity Building Initiative for Transparency

For more information about GEF, visit [TheGEF.org](http://TheGEF.org)

## PART I: PROJECT INFORMATION

Project Title:	Capacity Building for Peru's transparency system for climate change mitigation and adaptation		
Country(ies):	Peru	GEF Project ID: <sup>1</sup>	9872
GEF Agency(ies):	UNEP (select) (select)	GEF Agency Project ID:	01603
Other Executing Partner(s):	Ministry of Environment	Resubmission Date:	September 20, 2017
GEF Focal Area(s):	Climate Change	Project Duration (Months)	36
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP <input type="checkbox"/>	
Name of parent program:	[if applicable]	Agency Fee (\$)	113,905

## A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES<sup>2</sup>

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
(select) (select) CBIT	CBIT	1,199,000	700,000
<b>Total Project Cost</b>		<b>1,199,000</b>	<b>700,000</b>

## B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: Develop Peru's institutional and human capacities to meet reporting requirements of the enhanced transparency framework of the Paris Agreement						
Project Components	Financing Type <sup>3</sup>	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
Component 1: Climate Change Mitigation in Peru's transparency system	TA	1. Institutional and technical capacities for the formulation and use of sectoral long-term low greenhouse gas emissions development strategies are developed	1.1. Emission factors are developed for at least one prioritized sector 1.2. Capacities on GHG emission projections of GHG inventory teams working with Peru's INFOCARBONO are enhanced. 1.3. General guidelines and tools to ensure consistency and comparability of GHG emission projections among sectors are developed. 1.4. Public servants are	CBIT	460,000	330,000

<sup>1</sup> Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.

<sup>2</sup> When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#) and [CBIT guidelines](#).

<sup>3</sup> Financing type can be either investment or technical assistance.

			trained to integrate long-term strategies and GHG emissions projections into policy and decision-making.				
Component 2: Adaptation to Climate Change in Peru's transparency system	TA	2. Institutional arrangements and technical capacities to systematize information for the implementation of the adaptation component of the NDC are established	2.1. An analysis of current monitoring and evaluation practices and gaps in the health sector is developed with a view to contribute to national level monitoring of adaptation action 2.2. Technical capacities on monitoring and evaluation of adaptation actions/measures are strengthened in the health sector in collaboration with Peruvian research institutions 2.3. The M&E system adaptation actions in the health sector is designed	CBIT	440,000	180,000	
Component 3: Means of implementation in Peru's transparency system	TA	3. Institutional capacity for quantifying and reporting national public and private investments for the implementation of Peru's NDC is strengthened	3.1. Public and private expenditures associated to the implementation of Peru's NDC are identified and tracked in at least two sectors. 3.2. Public servants in at least two sectors are trained to identify financial needs and report expenditures related to the NDC based on output 3.1.	CBIT	190,000	120,000	
Subtotal						1,090,000	630,000
Project Management Cost (PMC) <sup>4</sup>				CBIT	109,000	70,000	
<b>Total Project Cost</b>						<b>1,199,000</b>	<b>700,000</b>

<sup>4</sup> For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: ( )

**C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE**

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Recipient Government	Ministry of Environment	In-kind	700,000
<b>Total Co-financing</b>			<b>700,000</b>

**D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS <sup>a)</sup>**

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee (b) <sup>b)</sup>	Total (c)=a+b
UNEP	CBIT	Government of Peru	Climate Change	(select as applicable)	1,199,000	113,905	1,312,905
<b>Total GEF Resources</b>					<b>1,199,000</b>	<b>113,905</b>	<b>1,312,905</b>

a) Refer to the [Fee Policy for GEF Partner Agencies](#).

**E. PROJECT PREPARATION GRANT (PPG)<sup>5</sup>**

Is Project Preparation Grant requested? Yes  No  If no, skip item E.

**PPG AMOUNT REQUESTED BY AGENCY(IES), TRUST FUND, COUNTRY(IES) AND THE PROGRAMMING OF FUNDS**

Project Preparation Grant amount requested: \$ 50,000					PPG Agency Fee: 4,750		
GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee <sup>6</sup> (b)	Total c = a + b
UNEP	CBIT	Peru	Climate Change	(select as applicable)	50,000	4,750	54,750
<b>Total PPG Amount</b>					<b>50,000</b>	<b>4,750</b>	<b>54,750</b>

<sup>5</sup> PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to \$50k for PF up to \$2m (for MSP); up to \$100k for PF up to \$3m; \$150k for PF up to \$6m; \$200k for PF up to \$10m; and \$300k for PF above \$10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

<sup>6</sup> PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

## F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS<sup>7</sup>

Provide the expected project targets as appropriate.

<b>Corporate Results</b>	<b>Replenishment Targets</b>	<b>Project Targets</b>
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	<i>Hectares</i>
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	<i>Hectares</i>
3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services	Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins;	<i>Number of freshwater basins</i>
	20% of globally over-exploited fisheries (by volume) moved to more sustainable levels	<i>Percent of fisheries, by volume</i>
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO <sub>2e</sub> mitigated (include both direct and indirect)	<i>metric tons</i>
5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern	Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)	<i>metric tons</i>
	Reduction of 1000 tons of Mercury	<i>metric tons</i>
	Phase-out of 303.44 tons of ODP (HCFC)	<i>ODP tons</i>
6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks	Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries	<i>Number of Countries:</i>
	Functional environmental information systems are established to support decision-making in at least 10 countries	<i>Number of Countries:</i> <i>1</i>

## **PART II: PROJECT JUSTIFICATION**

1. *Project Description.* Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area<sup>8</sup> strategies, with a brief description of expected outcomes and components of the project, 4) [incremental/additional cost reasoning](#) and expected contributions from the baseline, the GEFTF, LDCF, SCCF, CBIT and [co-financing](#); 5) [global environmental benefits](#) (GEFTF) and/or [adaptation benefits](#) (LDCF/SCCF); and 6) innovation, sustainability and potential for scaling up.

### ***1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed***

All Parties to the Paris Agreement are committed to undertake ambitious efforts not only in mitigation, adaptation and means of implementation but also in transparency. Moreover, these efforts will “represent a progression over time” or in other words, countries will have to continuously increase the level of ambition of their efforts for all aspects of climate action. As for mitigation and adaptation, credible progression supposes certain domestic capacities to measure and

<sup>7</sup> Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF, SCCF or CBIT.

<sup>8</sup> For biodiversity projects, in addition to explaining the project's consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving.

verify efforts, and to also report them to the international community. Furthermore, it requires public management to have the best information and tools available to support planning and decision making. This is especially true, if the purpose of the Paris Agreement and its long term goals are considered: limiting the increase in the global average temperature to well below 2°C, enhancing adaptive capacity and strengthening resilience, achieving a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century, and making finance flows consistent with these efforts. These goals do not only imply great levels of efforts to implement actions, but also set constraints to business as usual economic development. Thus, if the global community is serious in its intent to achieve what has been set out in the Paris Agreement and to do so in a way that is economically, socially and environmentally agreeable, it needs to start planning for development, especially to meet socio-economic needs of the poor, in the light of the 1.5°C to 2°C scenario.

In the case of Peru, the ratification of the Paris Agreement in July 2016 has prompted the establishment of a Multi-sectoral Working Group (GTM in Spanish), composed of 13 Ministries and the National Strategic Planning Center (CEPLAN), that has the task to generate technical information to guide the implementation of the Nationally Determined Contribution (NDC). Among other tasks, it will have to generate information related to economic, social and environmental costs and benefits of the identified actions and propose ways to promote enabling conditions for implementation. Peru's NDC contains a mitigation and an adaptation component. The mitigation component includes energy, transport, agriculture, industrial processes, waste and land use, land use change and forestry (LULUCF) emissions and thus successful implementation requires concerned ministries to have staff that can work on planning, implementation and measurement, reporting and verification (MRV) of mitigation actions. The adaptation component focuses on five prioritized sectors, namely water, agriculture, fishery, forests and health. In the case of adaptation, further to improve capacity in concerned ministries, there is a need to work with regional governments, as they are the authorities primarily involved in implementation.

The work of the GTM in Peru will certainly provide important lessons and experiences on how to plan and implement mitigation and adaptation actions. The establishment of this group will help addressing only partially some of the capacity-building needs identified through the International Consultation and Analysis process. It is imperative now, more than ever, to strengthen human, technical and institutional capacities of the country for strategic and long term planning and decision making. Current human and institutional capacity gaps can be described as follows: First, the lack of capacities to track progress, this extends to measuring, reporting and verifying Greenhouse Gases (GHG) emissions in all sectors, to monitoring and evaluation of adaptation actions and to generate relevant data on the impact of policies and progress of implementation. Second, lack of capacities for planning and policy making, this includes the absence of adequate economic and climatic models to support long term planning and decision making. Furthermore, these capacity gaps have created results a strong dependency on external consultants or experts. The support of external experts is helpful in addressing urgent or ad-hoc tasks, like for example the iNDC process, but this model does not contribute to building permanent capacity at the service of the country, especially in a context where regular monitoring, planning and implementation are required.

The Ministry of Environment, focal point to the United Nations Framework Convention on Climate Change (UNFCCC), serves as the technical secretariat of the GTM, and will thus ensure that appropriate coordination among sectors and stakeholders takes place. At the same time, it has been

identified that the forum provided by the GTM can be used to consolidate work related to transparency with the mid-term goal of establishing a national transparency system that will both serve to provide useful information for planning and implementation of mitigation and adaptation actions, as well as for meeting the requirements of the Enhanced Transparency Framework for action and support of the Paris Agreement (ETF). Work ahead includes further strengthening of Peru's system for tracking GHG emissions –Infocarbono- to ensure continuous improvement, especially by covering the current gap of technical staff in the relevant ministries. Since the inventory will be the main tool to track progress of NDC implementation, further refinement will help to reflect the efforts made, for example in the LULUCF sector. In order to strengthen ambition over time and to formulate long-term low GHG emission development strategies, Peru needs to develop tools to assess policy options as well as their economic impacts.

As for adaptation, the process to formulate the component in the NDC and the identification of prioritized sectors was based on the vulnerability assessment of the country (see Peru's Third National Communication). The National Action Plan (NAP) for Adaptation, is an additional planning tool which will serve to guide the implementation of the adaptation NDC and which is still in its formulation phase. The health sector, which is one of the prioritized sectors in the NDC, is of special importance for the country because of its many direct and indirect impacts associated to climate change, such as heat and cold waves, landslides and an increase in vector borne diseases. Furthermore, these impacts are especially felt by the most vulnerable people in Peru, the families dedicated to subsistence activities. At the level of the NAP, the health sector is the only one that has concluded its formulation of overarching objectives, goals and indicators. Thus, this is an ideal point in time to strengthen capacity in the Ministry of Health for monitoring and evaluation of concrete adaptation actions and for the country to capitalize on this experience and draw lessons that could be used in other sectors.

## **2) *the baseline scenario or any associated baseline projects,***

The National Climate Change Strategy (NCCS), adopted in 2015, serves as the main instrument for planning national action to face climate change in Peru. This Strategy includes two objectives for a period until 2021, one related to adaptation and to increasing awareness and adaptive capacity against the adverse effects of climate change, and the second objective concerned with mitigation aspects to preserve the carbon stocks and contribute to the reduction of GHG emissions.

Furthermore, in 2015, according to previous decisions in the context of UNFCCC, Peru presented its Intended Nationally Determined Contributions (iNDC) with an emission reduction goal of 20% of business as usual (BAU) GHG emission for 2030, including a 30% reduction scenario based on available financial resources, and five priority sectors for adaptation actions during the same established period: water resources, agriculture, fisheries, forestry and health. According to this institutional background, the Peruvian NDC is aligned with the NCCS objectives until 2021.

As for mitigation, the Peruvian government has included energy, transport, agriculture, industrial processes, waste and LULUCF emissions in its NDC, which are also the categories currently reported in GHG Inventories. Mitigation actions will be implemented in all those sectors, but those sectors that reported the largest share of emissions have been prioritized to determine financial resources from public budget and international cooperation, needed for implementation of actions and achieving the NDC goal.

Although Peru has made significant progress in enhancing national arrangements for preparing GHG inventories, notably through the creation and operationalization of its Infocarbono, there is no system in place to manage and integrate information related to climate action. The Infocarbono was created through a Supreme Decree (DS°013-2014-MINAM) and it established responsibilities for public entities to report emissions from the activities of their sectors. According to this legal basis, the Ministry of Environment is in charge to manage the Infocarbono and has to give support and build capacities in the other public entities for annually reporting on their sectoral GHG emissions. Moreover, the Ministry of Environment has the responsibility to collect the information provided by other sectors and to aggregate it for the elaboration of the National GHG Inventory.

Peru still lacks a comprehensive national transparency system to address mitigation and adaptation actions as well as means of implementation, and requires enhanced capacities to systematically generate, manage and use information related to climate change. A system in this sense is also needed to improve national planning and decision making, for tracking and renewing Peru's NDCs and to meet the ETF of the Paris Agreement.

Since the ratification of the Paris Agreement, Peru is committed to enhance its transparency system, and is thus working to integrate previous experience on MRV of climate change actions, to serve as a basis for an integrated national transparency system. Its design will build on previous institutional arrangements and actions implemented by the Ministry of Environment and other national entities and supported by other international cooperation projects. During the design process a capacity building approach in technical and institutional aspects will be prioritized.

Currently, the lack of a comprehensive transparency system has shown to be an impediment for informed decision and policy making. For example, the process of designing the first NDC has been based on ad-hoc arrangements and project work, which has used a variety of sources. Furthermore, contrary to expectations, there has been only a limited increase in capacities in the government institutions as a results of this process. This experience has also made clear that Peru is lacking appropriate tools and capacities for supporting long term policies, for example macroeconomic or sectorial models to test different scenarios. Looking further, to the times where subsequent NDCs will need to be prepared, implemented and tracked, a well-functioning national transparency system becomes even more imperative. It will be needed not only to communicate progress to the international community to fulfill Peru's commitments under the Paris Agreement, but also to better design policies and measures to frame mitigation and adaptation actions while ensuring the social and economic development of the country.

### **Mitigation framework for a transparency system**

According to the current status of the institutional arrangements of mitigation actions, there are three main process related to MRV in Peru: emissions quantification, emissions reduction and support received and required. All these processes respond to the objectives of the National Climate Change Strategy (NCCS) and thus to the implementation of the NDC.

The three processes under MRV mentioned have different status of implementation and have received a varying degree of international support throughout the last years. Some of the projects are described below:

<b>Process under MRV</b>	<b>Period</b>	<b>Project</b>	<b>Description of support</b>
Emissions quantification	2014	Third National Communication Project	Elaboration of National GHG Inventory (NI) for 2010 that included a capacity building process for public officers.
	2013-2014	First Biennial Update Report Project (FBUR)	Financial resources to elaborate the NI for 2012 and 2005 that included updates of the NI for 2010 and 2000 in order to compare the results. The process of NI elaboration included capacity building sessions for public officers that participate in emissions quantification. Moreover, as part of the project, an information platform to support the Peruvian inventory system (Called Infocarbono) was developed. This website will be the repository for NI results, as well as for technical guidelines and will be used to strengthen transparency of the data.
	2014	BID Project to Strengthen the National Agenda on Climate Change and Support the COP20	As part of synergy with the FBUR project, the BID supported a research to elaborate a proposal of guidelines to the national entities that are part of Infocarbono.
	2016	Low Emission Capacity Building	This project is developing a pilot software for assessing different emissions scenarios for the energy sector up to 2050 (2050 calculator). This tool will provide projections according to a variety of possible actions in order to generate scenarios of emissions reduction to help policy makers and stakeholders on the decision making process related to mitigation actions on energy sector.
Emissions reduction	2012-2016	MAPS Project in Peru (PlanCC)	PlanCC project developed more than 70 mitigation options for different sectors and evaluated their economic impact by means of a general equilibrium model. It was implemented through a participatory process that included stakeholders from public and private entities. The



			developed options were an important input for the Peruvian iNDC elaboration.
	2014-2017	Low Emission Capacity Building	Support for the design of three concept notes of NAMA for the industry sector related to the production of bricks, iron and cement. This project has been extended into a second phase that focuses on creating the enabling conditions to implement the actions identified in the NAMA design phase.
	2016-2017	Second Biennial Update Report	This project has hired a full time consultant to design a NAMA registry that will include other kind of mitigation actions in Peru and will help to improve national accountability. This registry will also host the REDD+ projects that are under implementation.
	2016-2019	NAMA Energy Project	This project is aimed to design a NAMA that includes four aspects to contribute with emissions reduction from the energy sector. The project contemplates actions for electric transportation,
	2015-	JICA/BID Solid Waste Management Program	Support to the implementation of Solid Waste NAMA
Support received and required	2016	GIZ - Contribution to the Environmental Goals of Peru (ProAmbiente)	Assessment about current climate funding in Peru as a first step to identify gaps on climate investment in the country.
	2016-2017	Second Biennial Update Report	As part of the elaboration of the Second BUR necessities related to MRV about support received and required have been identified.

In the context of the Paris Agreement and its mandate for efforts to represent a progression over time, the need for a third process has been identified, namely the development of emissions projections as a tool to support long term planning. As will be communicated in Peru's second BUR, the country lacks technical and institutional capacities to provide GHG emissions projections. Robust projections would constitute an important tool for tracking progress of Peru's mitigation efforts and planning of mitigation policies. Further, they could be used to assist in the identification of support needs for implementing mitigation efforts. Therefore, CBIT support will be focused on

building capacities of government entities and stakeholders regarding emissions projections and long term planning as tools for GHG emissions reduction.

### **Adaptation framework for a transparency system**

Unlike the mitigation framework, there is a main process that will guide adaptation actions and the related Monitoring and Evaluation (M&E) process, namely the National Action Plan (NAP) for Adaptation, which is currently being elaborated. The NAP will work as a policy instrument to achieve the adaptation objective of the NCCS and thus to implement the NDC, considering the priority sectors.

The construction process of the NAP has served to unify several previous actions and studies developed with the support of projects lead by the Ministry of Environment. Different kinds of support are committed for a next phase of NAP and national M&E system design and implementation. The financial and technical sources of support for each priority sector are mentioned in the table below. The table also shows, that currently there are no funds available for advancing the work in the health sector, although it is the most advanced sector within NAP design, and has already formulated general objectives and related indicators to measure progress. There is no design in place to monitor and evaluate concrete adaptation actions, assess how they contribute to achieving the objectives in the NAP and ensure that all this information is accessible at the national level. Thus, Peru is proposing to use CBIT support to advance the M&E of adaptation actions in the health sector and, by this, contributing to the construction of the national adaptation M&E, especially through the design and testing of a sectoral registry for adaptation action.

<b>National Action Plan for Adaptation (NAP) and M&amp;E system</b>	<b>Priority Sector</b>	<b>Funding Source</b>
	Fishing	IKI EBA Project for Marine Ecosystems
	Water Resources	USAID Program for water and glaciers
	Agriculture	COSUDE Projects
	Forestry	Projects associated to the National Program for Forest Conservation for Climate Change Mitigation
	Health	Peru CBIT Project

Most of the cooperation projects that contributed to the NAP elaboration process, have been implemented by the National Directorate of Climate Change and Desertification (DGCCD) of the Ministry of Environment. The Ministry expects that the design process of the NAP will end in 2017, in that way there will be some pilot experiences to consolidate the monitoring system performance that will involve research institutions on the basis of information generated by each sector. Moreover, Peru lacks the means to oversee the whole set of adaptation actions in different sectors and by regional governments. For example, the NAP elaboration process and the development of indicators to monitor and evaluate progress in adaptation, has shown that there is a gap between concrete adaptation actions by sectors and national monitoring and evaluation of adaptation. Out of the five prioritized sectors for adaptation, Health has made the most progress in terms of developing climate change indicators for public policies. However, there is still a lack of M&E practices for adaptation actions that are implemented by authorities at different levels. For example, it has been identified that population capacities to be prepared for new diseases has to be improved. The general indicator of monitoring diseases is clear, but how this indicator will be linked to concrete actions has yet to be defined. Thus, it has been proposed to develop a National

Registry for Adaptation Actions or a comparable arrangement. Ultimately, this registry would help to respond whether the intermediate objective formulated in the NDC of “reducing vulnerability and increasing resilience of the population to the effects of climate change on health” is being achieved, and to assess remaining gaps. The Ministry of Environment is in charge of the development of this adaptation registry since it is the national environment authority and climate change focal point. As the concerned authority, the Ministry of Health will be in charge of implementing adaptation actions related to the health sector and would have the task to provide information on these actions and their implementation to feed the adaptation registry. Further, the ratification of the Paris Agreement has made clear that monitoring and evaluation of adaptation will be required for the implementation of the adaptation component of the NDC.

The chart below shows how international projects had contributed to the NAP process.

<b>NAP elaboration Process Support</b>		
<b>Project Name</b>	<b>Timeline</b>	<b>Support Description</b>
Climate Change Adaptation Program (PACC) from COSUDE	2015 - 2016	Technical support to NAP document design and financial resources to hire a consultant to lead the process of information collection and validation with stakeholder from public entities.
USAID Technical Assistance Program (PAT USAID)	2015 - 2016	Technical support to develop a communication strategy for the NAP formulation process in order to involve entities to identify and prioritize actions related to adaptation to climate change on their sectors.
Climate Change and Environment Program for Latin America and the Caribbean (EUROCLIMA) from EU	2016	Financial support to the elaboration of specific consultations for priority sectors and to hire a technical support team for the NAP elaboration. This support included resources for the realization of consultation workshops with public entities.

### **Necessities to estimate and report financial gaps.**

According to the analysis undertaken for the Second Biennial Report elaboration, there is a pending agenda about implementing a tracking system for investments related to climate change mitigation and adaptation. Currently, public expenditure tracking (*Sistema integrado de administración financiera*) focuses on considering climate change from disaster risk perspective and there is no tool to assess and aggregate public spending that is more broadly related to climate change mitigation and adaptation, especially one that would not lead to double counting of a spent amount. As for private spending, there is currently no way of assessing investments that contributes to climate change mitigation and adaptation or responds to related policies. Consequently, Peru has no formal

means for assessing the overall or sectoral costs of addressing climate change, and more concretely of implementing its NDC. This knowledge is key, first for achieving the proposed target and, at a later stage, for increasing ambition. It is also important to support policy design and, eventually, its impact assessment.

In order to promote efficient management of financial resources and to identify specific gaps to achieve the objectives of the NCCS and prepare NDC implementation, Peru has identified the need to monitor climate change investment, considering public, private and international cooperation sources. The monitoring and evaluation of investment in climate change also will help to increase the quality of information reported in BURs and National Communications.

### ***3) the proposed alternative scenario, GEF focal area<sup>9</sup> strategies, with a brief description of expected outcomes and components of the project,***

Given the lack of capacity in Peru to systematically generate, manage and use information related to climate change, the need for a comprehensive national transparency system has been identified. This system will need to address mitigation and adaptation actions as well as means of implementation, in order to track Peru's NDCs. This project intends to support the establishment of a national transparency system by means of developing some key components. As currently envisaged, the national transparency system will address four areas: mitigation, adaptation, means of implementation and long term planning information. This structure aims to facilitate access to information and its use for policy and decision making and will furthermore be the base to meet the requirements under article 13 of the Paris Agreement.

It is important to note that the proposed project fits into the wider landscape of ongoing work that is contributing to build the national transparency system. The project is thus structured to provide inputs for all the areas of the envisaged transparency system.

#### **Component 1: Climate change mitigation in Peru's transparency system**

Most of the progress in MRV in Peru has so far been related to mitigation action. Namely, the Infocarbono, which includes comprehensive Excel spreadsheets for GHG calculations, and sectorial guidelines for preparing the national GHG inventories. Further, there is ongoing work to develop a registry of mitigation actions (including NAMAs), that will include guidelines, methodologies, quality control and procedures for registering actions. Both tools are envisaged to be part of the mitigation area in the transparency system and will generate important inputs for the fourth area of the national transparency system, which will be dedicated to generate information and tools for long term planning. Thus, to strengthen the mitigation area in Peru's transparency system there is both the need to improve the quality of GHG inventories and to set the basis for the preparation and use of GHG projections. This will ultimately strengthen institutional and technical capacities for the formulation and use of sectorial long-term low greenhouse gas emissions development strategies.

**Output 1.1.** Arrangements to develop national emission factors in collaboration with Peruvian research institutions are strengthened for at least one prioritized sector.

Moving away from the use of IPCC default emission factors and determining emission factors that accurately reflect the activities taking place in the country is key to improve the quality of Peru's

---

<sup>9</sup> For biodiversity projects, in addition to explaining the project's consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving.

GHG inventories. As has been stated in the Third National Communication, the Infocarbono requires processes of continuous improvements that allow to enhance transparency, accuracy, consistency, comparability and completeness of future inventories. One of the many aspects that need to be considered for achieving this is the development of local emission factors. Thus, considering both the need for technical work to develop emission factors and the need for continuous improvement, CBIT support will be used to develop emission factors for at least one prioritized sector. Doing this in cooperation with national research institutions and consolidating the arrangements, it is intended to create further human capacity and to facilitate continuous improvement. Initially, the sectors that will be prioritized for these activities are LULUCF and energy, as these are the ones with the highest share of emissions according to the 2012 inventory (51% and 26% respectively).

The proposed Output is linked to the GEF Programming Direction activity (f) on country-specific emissions factors.

**Output 1.2.** Capacities on GHG emission projections of GHG inventory teams working with Peru's INFOCARBONO are enhanced.

One key aspect of the national transparency system is that ultimately information needs to be generated and provided by the relevant sectors as well as by regional governments, thus the Infocarbono already is working with experts that are integrated in the different ministry teams. Building on this work the experts tasked with the sectorial GHG inventories will receive training on methodologies for elaborating GHG projections and on how to ensure consistency between inventories and projections. The experience of the development of the 2050 calculator for the energy sector will serve as a model for this work.

The proposed Output is linked to the GEF Programming Direction activity (e) on country-specific training on emissions projections.

**Output 1.3.** General guidelines and tools to ensure consistency and comparability of GHG emission projections among sectors are developed.

In the context of previous project work, the energy sector and the transport sector have already started to develop GHG projections, however there has been no coordination among them and the results of this work is not yet used as a supporting management tool for sectorial policies. To strengthen sectorial involvement, this output will be achieved by systematizing and building on the experience of the energy and transport sector, as well as by engaging with research institutions that have been previously involved in this work. This bottom up approach will ensure that previous efforts are not lost and that ownership is strengthened. The development of a set of guidelines to ensure that GHG projections are prepared in a comparable way will also include the participation of the Ministry of Economy and Finance.

The proposed Output is linked to the GEF Programming Direction activity (d) related to the development tools and guidelines.

**Output 1.4.** Public servants are trained to integrate long-term strategies and GHG emissions projections into policy and decision-making.

In the context where Peru has committed to prepare, communicate, maintain and achieve the objectives of successive NDCs, there is a need to share this information with a wider set of public servants. It is also important to provide them with tools for better long term policy and decision making. Thus, based on the experience of the 2050 energy calculator, public servants in sectors and regional governments will receive insights on how to consider long term strategies in their day to day work. This output builds on the system thinking theory, which states that changing how people think has the most leverage for generating change. Public servants will be trained on how the long term perspective will help them to identify the benefits of the transformation towards a low emission and climate resilient economy, as well as for shaping infrastructure and investment in a way that avoids carbon lock in and ensures climate resilience. This work will build on Peru's membership of the 2050 pathways platform.

The proposed Output is linked to the GEF Programming Direction activity (b) on integration of knowledge from transparency initiatives into decision-making as well as activity (e) on country-specific training on transparency activities.

## **Component 2: Adaptation to climate change in Peru's transparency system**

Peru has included an adaptation component in its NDC, which includes five priority sectors: water resources, agriculture, fishery, forestry and health. There are no institutional arrangements in place to systematize information for the implementation of the adaptation component of the NDC and to track progress in the identified intermediate objectives. The proposed CBIT project intends to close this gap with a step by step approach. The health sector has been identified as the focus of capacity development under CBIT because it is the most advanced in terms of defining specific objectives and indicators related to the NDC objective. It will thus serve as a pilot to develop best practices and lessons on monitoring and evaluation (M&E) of adaptation in the context of the NDC that can then be applied to the other prioritized sectors and help to develop a proposal for a national registry of adaptation actions.

**Output 2.1.** An analysis of current monitoring and evaluation practices and gaps in the health sector is developed with a view to contribute to national level monitoring of adaptation action

The objective of the adaptation NDC in the health sector is to increase the adaptive capacity of health services in order to face climate change and increase the resilience of vulnerable populations to its effects. To ensure cost effectiveness and to promote engagement of relevant stakeholders, Peru's transparency system, especially the generation of information, has to build on existing processes, arrangements and practices. The Ministry of Health, through its Vice Ministry for Public Health is currently tasked with developing strategic interventions and policies for areas such as environmental health, disease control and disaster risk management. In all these areas of work, information related to climate change adaptation is being collected and activities are being planned. However it has not yet been assessed how this information can contribute to track progress on the intermediate NDC objective which is to "reduce vulnerability and increase the population resilience to the health effects of climate change". The technical analysis will thus help to avoid duplication of efforts, and to identify gaps that need to be addressed in order to operationalize M&E of progress towards the NDC objective in the health sector. It will include the identification of existing

approaches, tools, data sources and indicators that are already being collected in health sector, and that are relevant to demonstrate adaptation progress and results. The analysis will build on applicable M&E approaches that are being implemented at relevant levels (e.g. the local, regional, national). It will include the identification of technical and institutional gaps, in the sector across the country.

The proposed Output is linked to the GEF Programming Direction activity (j) on capacity needs assessment (k) on introducing and maintaining progress tracking tools.

**Output 2.2.** Technical capacities on monitoring and evaluation of adaptation actions/measures are strengthened in the health sector in collaboration with Peruvian research institutions

The technical and institutional gaps identified in the previous technical analysis will help to refine capacity building activities to train public servants of the Ministry of Health in M&E practices, with a special focus on impact assessment. These will then be carried out in cooperation with Peruvian research institutions, in order to ensure continuous improvement and eventually enhance the M&E system's implementation and sustainability.

The proposed Output is linked to the GEF Programming Direction activity (a) on support to national institutions to monitor and evaluate policies, strategies and programs to enhance transparency as well as activity (e) on country –specific training on adaptation monitoring and evaluation.

**Output 2.3.** The M&E system for adaptation actions from the health sector is designed

As of now, the preliminary design of the adaptation component of the national transparency system considers a registry of adaptation actions and efforts. This will include a basic set of guidelines for M&E of adaptation actions for each prioritized sector, procedures for quality control and procedures on how specifically adaptation actions will be registered. The idea behind the registry is to have an adaptable system that could be applied to different sectors and to certain evolving activities. However, this initial design requires validation and needs to be contrasted with ongoing work on adaptation in health issues in the public and private sector. In consideration of the information that is currently generated in the sector and how it relates to specific adaptation actions, the concept of a registry for adaptation action will be tested and ultimately this will help to design the M&E system for the health sector. Considerations about the operating costs will be important during the design of the potential registry to ensure sustainability of the efforts.

The proposed Output is linked to the GEF Programming Direction activity (d) on the use of improved methodologies and guidelines, as well as activity (k) on introducing and maintaining progress tracking tools.

### **Component 3: Means of implementation in Peru's transparency system**

One of the greatest needs identified during the preparation process of the second BUR is that Peru lacks institutional capacity for quantifying and reporting national public and private investments for the implementation of Peru's NDC. Creating capacities for doing so is especially important for long term planning and assessing the cost of policy interventions, as well as for generating data to test alternative cost/benefit scenarios.

**Output 3.1** Identification of public and private expenditures that can be associated to the implementation of Peru's NDC is strengthened.

The initial design of the national transparency system includes an area for means of implementation. It is clear that there is a need to register support received and spent as well as to track mobilized financial resources for the implementation of the NDC, especially from the private sector. This will be tackled through other ongoing projects. However, there is no clarity yet of how national public and private expenditures will be considered in the national transparency system. Thus, CBIT support is intended to conduct an extensive assessment of the amount of public and private expenditure that can be associated to the implementation of the NDC as well as of how this information can be systematized to support national planning and decision making. An initial set of criteria and a communication channel to report expenditures will be developed.

The proposed Output is linked to the GEF Programming Direction activity (i) on quantifying and reporting on support provided and received, as well as activities (j) on capacity needs assessment and (k) on introducing and maintaining progress tracking tools.

**Output 3.2.** Public servants in selected sectors are trained to identify financial needs and report expenditures related to the NDC based on output 2.1.

Currently in Peru, public servants are not trained to consider climate change in their day to day work and they are not aware of the NDC concept, especially considering that this is a very recent concept and thus it has not yet permeated to all levels of government. Therefore, once the above output 3.1 has been completed, public servants will receive training to implement the proposal.

The proposed Output is linked to the GEF Programming Direction activity (b) on how to integrate knowledge from transparency into national policy, as well as activity (e) on country-specific training.

**4) incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, CBIT and co-financing;**

The CBIT programme is designed to improve mandatory reporting of signatories of the UNFCCC. As such this project is financed on full agreed cost basis. In the case of this programme, eligible activities have been described in the GEF document Programming directions for the Capacity Building Initiative for Transparency (GEF/C.50/06). The activities of this project are consistent with the scope of the programming directions. Cofinancing is not a necessary requirement for this project, however since Peru is building upon the work of the Ministry of environment, there is a foundation of activities that are considered cofinancing and have been included in table C.

As described in previous sections, a complementary approach is promoted by the Ministry of Environment for resources management, considering international cooperation support and public investments, to tackle climate change in Peru and to achieve national goals. Thus, a variety of projects are under design or ready to start implementation, including resources provided by Multilateral agencies like GEF and World Bank and bilateral sources like from Nordic, German and Swiss governments

**5) global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF); and**



The CBIT project from Peru is aimed at addressing the whole range of climate action and thus has components for transparency of action (mitigation and adaptation) and support (identification of needs). As such it will help Peru delivering on its first and subsequent NDC and contribute to strengthening the global response to the threat of climate change. On the one hand, national mitigation MRV will be strengthened with a focus on emission quantification methodologies, capacity building of stakeholders in sectors responsible for emission and develop of reliable emission projection in order to give adequate tools to national planning. These activities supported by CBIT, among other sources, are part of a basis for a sustainability development process promoted by Peruvian authorities for emissions reduction and for achieving other associated benefits.

The adaptation component of the project is focused on NDC implementation, considering a support for the Health sector as part of one of the priority sectors. Peru has several ecosystems including a variety of weathers that could be affected by climate variability associated to climate change. Impacts related to these climate variations consider health problems like vector-borne and water-borne diseases, that are already present in some rural and urban areas in Peru; therefore the project will focused on monitoring and evaluation of the impacts of current actions to deal with these diseases and will help to design and implement complementary activities in order to generate positive impacts.

Moreover, another aspect that will be crucial for the next years to implement the Peruvian NDC is a tracking system for financial resources for climate change in the country. This aspect will be supported by the CBIT in order to make a coherent use of resources to avoid duplicating expenditures. In addition, during the process of the design of the tracking system, public servers will be trained to identify financial needs for climate change actions in order to report about this in Biennial Reports and National Communications.

#### ***6) innovation, sustainability and potential for scaling up.***

The innovation potential of this project proposal lays in that it has been conceived with institutional capacity building at its core. As such all three components have a focus on building capacity of public servants and on including them as key stakeholders for achieving project outputs, thus reducing reliance on external consultants for producing quality information for GHG inventories, and tracking of adaptation and mitigation action.

Since the project is complementary to ongoing work and funding efforts, its sustainability is guaranteed in terms of how the outputs will be further used in time. Not only will the capacities that are generated be integral part of the transparency system, but the transparency system is a priority for Peru in terms of being in the position to implement the Paris Agreement.

The project will be implemented by the Ministry of Environment, which has the responsibility to ensure that Peru is in the position to track and report progress on its NDC implementation, and as such is working on the development of the national transparency system. CBIT project components are aligned with the design of the system and will deliver essential building blocks of the system, which will then be strengthened and scaled up over time. The strengthening of collaborative arrangements with Peruvian research institutions serves the purpose of expanding the pool of experts available in the country and, thus, boosting the recruitment of suitable staff by sectors to generate information for the ETF.

2. **Stakeholders.** Will project design include the participation of relevant stakeholders from [civil society organizations](#) (yes  /no ) and [indigenous peoples](#) (yes  /no )? If yes, identify key stakeholders and briefly describe how they will be engaged in project preparation.

In order to achieve the Project goals and implement the proposal activities, there should be a strong participation of several actor from public and private sector. The variety of stakeholders responds to the complexity of climate change related activities. In that sense, there are public entities that must work along with the project to carry out a strong transparency system for adaptation and mitigation; not just for stablishing monitoring procedures, but generating quality information to conduct the public policy process and the decision making.

In addition to the ministries, the project will focus on developing capacities of research institutions, specifically for the elaboration of local emission factors on priority sector as energy and LULUCF. The main purpose for working with research institutions, like those located in universities, is to foment investigation themes that could be useful to the public policy for climate change and also to leave aside previous approaches related to hire external consultants, in that way prevent and reduce risks related to lose information or capacities built with public resources.

<b>Stakeholder</b>	<b>Role in project implementation and achievement of outputs</b>
Ministry of Economy and Finance (MEF)	The MEF will play a key role in the first and third project components. It will be consulted on issues related to GHG projections and on budgetary matters.
Ministry of Health – Office of planning and budget	This office is coordinating the development of adaptation actions in the ministry of health and as such will be the main contact to ensure the second project component is implemented.
Ministry of Agriculture and Irrigation- SERFOR-	Involved in the preparation of the GHG inventory for LULUCF, will participate in project component 1.
Ministry of Agriculture and Irrigation – Vice Ministry of Development and Agricultural Infrastructure and Irrigation – General Directorate for Environmental and Agricultural Affairs	Is in charge of developing the GHG inventory for the energy sector, specifically the categories of enteric fermentation, manure management, rice cultivation, agricultural soils, fire management in grasslands and burning of agricultural residues. Will participate in project component 1
Ministry of Energy and Mining – General Directorate for Energy Efficiency	Is in charge of developing the GHG inventory for the energy sector, specifically the category of stationary combustion. Will participate in project component 1.
Ministry of Transport – Vice Ministry for Transport – General Directorate for Social and Environmental Affairs	Is in charge of developing the GHG inventory for the energy sector, specifically the category of mobile combustion. Will participate in project component 1.
Ministry of Production – Vice Ministry for Small and Medium Enterprises and Industry – General Directorate of Environmental Affairs	Is in charge of developing the GHG inventory for the energy sector, specifically the categories of mineral industry, chemical industry and metal industry. Will participate in project component 1.
Ministry of Production – Vice	Is in charge of developing the GHG inventory for the

Ministry for Small and Medium Enterprises and Industry – General Directorate of Environmental Affairs	energy sector, specifically the category industrial waste water discharge. Will participate in project component 1.
Ministry of Environment – Vice Ministry of Environmental Management – Directorate for Environmental Quality	Is in charge of developing the GHG inventory for the energy sector, specifically the category of solid waste disposal. Will participate in project component 1.
Ministry of Environment – National Forest and Climate Change Conservation Program	Involved in the preparation of the GHG inventory for LULUCF, will participate in project component 1.
Ministry of Housing – Vice Ministry of Construction and Sanitation– Directorate for Environmental Affairs	Is in charge of developing the GHG inventory for the energy sector, specifically the category wastewater treatment and discharge. Will participate in project component 1.
National Institute for Statistics and Information (INEI)	Will play a role for obtaining data for work related to GHG projections under project component 1.
Ministry of Education	Will help to share capacity building tools
Universities (PUCP, UPCH, UNI, UNALM)	Research institutions that will be contacted to engage in the development of emission factors for LULUCF and Energy.
Instituto de Investigación de la Amazonía Peruana (IIAP)	Research institution that will be contacted to engage in the development of emission factors for the LULUCF sector and for M&E of adaptation action in the health sector.
SEEG Peru	This Alliance of four Peruvian institutions has developed an estimate of national GHG emissions. Their pool of experts will be contacted to develop capacity building activities.
National Health Institute	Research institution that will be contacted in the project outputs related to M&E of adaptation action in the health sector.
National Meteorological and Hydrological Service (SENAMHI)	The information generated by SENAMHI will be used to complement analysis that will be undertaken in the health sector to develop its M&E approach, especially in the identification of indicators.

3. *Gender Equality and Women’s Empowerment.* Are issues on [gender equality](#) and women’s empowerment taken into account? (yes  /no ). If yes, briefly describe how it will be mainstreamed into project preparation (e.g. gender analysis), taking into account the differences, needs, roles and priorities of women and men.

Gender equality is considered to be relevant for this project because it will include training and capacity building for public servants, in that regard the project will ensure balanced gender representation in the project activities. Especially in regards of collaboration with research institutions and in the component for adaptation in Peru’s transparency system, since public health issues and the impact of adaptation actions in the health sector vary according to the needs and roles of women and men. These efforts will be aligned with Peru’s Action Plan on Gender and Climate Change, which provides guidelines for the design and implementation of actions with a gender perspective to strengthen climate change adaptation and mitigation.

In addition, this project will organize a gender workshop on a topic that will be agreed upon during the PPG stage. The topic of the workshop could be training on how the government has supported building women's and men's resilience, or how women and men have been engaged to adopt climate-smart agriculture practices, etc. Institutions to be consulted on gender engagement will include, but not be limited to: Ministries in charge of gender, the gender focal point for the convention on climate change, civil society organizations as well as research institutions and development partners working in the fields of gender and climate change.

- 4 *Risks.* Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable).

Identified risks can be grouped into 3 categories: 1. institutional, 2. technical and 3. political as presented in the table below. Initial considerations for mitigating these risks are also included in the table and will be further developed in the project preparation phase.

<b>Risk</b>	<b>Rating</b>	<b>Proposed measure</b>
<b>Institutional</b>		
Institutional arrangements are not completed and still evolving	High	This is especially the case in the different sectors that are in charge of generating information that will feed into the transparency system. This risk will be addressed by adaptive project management and a strong focus on knowledge management.
Poor institutional coordination	Medium	In the next 18 months Peru will see the work of a Multi-sectoral Working Group for the preparation of NDC implementation. This group will be informed about the objectives of this project to help establish coordination channels. Further the project steering committee will be integrated in the Ministry of Environment, which will then be in charge briefing all relevant stakeholders.
High personnel turn-over	High	Most of the personnel currently involved with GHG inventory preparation in Peru and M&E of adaptation is hired on a consultancy basis and thus not engaged with the ministries on the long term. This will be addressed through good knowledge management. Eventually, project work should help to identify sectors where they need to establish permanent capacities.
<b>Technical</b>		
Lack of skill set and uneven skill sets in different public entities	Medium	This will be addressed by developing targeted capacity building approaches for different sectors and also for different skill sets. Also there will be a focus on knowledge transfer and peer to peer learning.
Lack of available data or access to information	Medium	To address this risk the project will make use of current data generation infrastructure and collaborate with a range of institutions.
<b>Political</b>		
Lack of political buy-in on the importance of transparency and long term planning tools	Medium	This may result in difficulties for coordination as well as for the allocation of personnel that will be available for capacity building. Therefore, existing spaces, such as the National Climate Change Commission and the Multi-sectoral Working group will serve to inform Ministers and high level officials on the project and especially to this within the broader framework of the transparency system and NDC implementation.
Lack of political buy-in on spending for	High	It will be stressed that already there is much progress made in Peru with regards to transparency and that we can build on existing arrangements.

allocating budget for transparency		Through coordination at the technical and political level the process for determining needs for NDC implementation that will take place in the next 18 month, will also focus on transparency and thus help to make evident the need for permanent budget for specialized personnel.
------------------------------------	--	--

5. *Coordination.* Outline the coordination with other relevant GEF-financed and other initiatives.  
 All projects are lead by the same Directorate that the CBIT will.

The CBIT work will built on other transparency initiatives as outlined in the baseline scenario. Close coordination will take place with those initiatives providing co-financing, because they are under the authority of the climate change directorate (DGCCD), which will also be coordinating CBIT implementation. Work of the "System for the accreditation of mitigation actions with potential in the carbon market" Project, is related to components 1 and 3 of Peru’s CBIT project. Close coordination will take place between work of the UN-REDD Program and component 1. In that sense, the planned activities of the UN-REDD Program for generating information about emissions of the forestry sector in Peru, such as to develop a forest reference level integrating degradation data, will be complemented by CBIT activities under Component 1 to create adequate emissions factors for the LULUCF sector at a national level.

The same approach will be used on the coordination with the Andes Adaptation to the impact of Climate Change in water Resources Project (Andes Project), that is related to Component 2, considering that both projects, CBIT and Andes project will support the design and implementation of the monitoring and evaluation system for adaptation considering priority sectors.

Moreover, as explained in the section above related to “Adaptation framework for a transparency system”, the planning process for adaptation is guided by the elaboration of the NAP which includes the definition of objectives, responsibilities and indicators for each priority area. In that sense, the CBIT project will work along with the NAP process, and projects associated to it, in order to contribute to the design and implementation of a national monitoring and evaluation system for adaptation and the entire national transparency system. In particular, Component 2 of this CBIT project is focused on contributing to the design of an M&E system for adaptation actions in the health sector. In the same way, Component 3 is related to tracking public and private expenditures associated with the implementation of Peru’s NDC, so it will imply a close work with NAP process in order to evaluate and identify actions and finance to optimize resources for adaptation measures.

The activities performed through the Multi-sectoral Working Group GTM, regarding the health sector, will be regularly coordinated with CBIT trough the corresponding representatives of the Ministry of Environment and the Ministry of Health (both active parties of the GTM), until its end. As mentioned, at the level of the NAP, the health sector has concluded its formulation of overarching objectives, goals and indicators. Currently the GTM is revising and validating the logical framework of these objectives and indicators together with all stakeholders. CBIT will then interact and build on the outcomes of the GTM, in the sense of creating the capacities for these objectives, goals and indicators to be properly conducted by the stakeholders, accordingly to the Enhanced Transparency Framework, for complying with the NDC.

6. *Consistency with National Priorities.* Is the project consistent with the National strategies and plans or reports and assessments under relevant conventions? (yes  /no  ). If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The project is consistent with the objectives stated in the National Climate Change Strategy which encompasses adaptation (increase adaptive capacity of the population) and mitigation (preserve carbon stocks and contribute to GHG emission reductions). It is specially aligned with the first NDC and looks into creating capacity to track its implementation as well as that of subsequent NDCs. The needs that are addressed in this project are aligned with the ones identified in Peru's first BUR and its third National Communication to the UNFCCC , as well as with those that will be communicated in the second BUR. The identification of needs such as the generation of information for emissions quantification have been especially based on the International Consultation and Analysis process, this analysis has helped the elaboration of National GHG Inventories. The NAP process that is currently underway has been the basis for developing the second component of this project. Also, the proposed project has been designed to fit into the wider landscape of ongoing work that is contributing to build the national transparency system and for filling identified gaps and avoid duplications.

7. *Knowledge Management.* Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

According to its role as the responsible sector for coordinating climate change action in Peru, the Ministry of Environment will be tasked to managing project information and implementing and managing the national transparency system. As such, it will have a special focus on making capacity building material that arises from this project available to the wider public. During the design and consolidation of a national transparency system it will be necessary to consider methodologies and previous experiences on tracking information, especially economic and environmental information. In that sense the tools of the Ministry of Economy and Finance for monitoring public resources will be considered as an input for the design of the tracking system of component 3.

Involved sectors will be asked to cooperate in knowledge management by providing relevant information and ensuring it is accessible to their employees. Regular updates on project work will be given to all involved public institutions. Due to the project components, the generation of information will be useful for several ministries like the Ministry of Health; the Ministry of Agriculture and Irrigation, including the National Forestry Service; the Ministry of Energy and Mining; the Ministry of Economics and Finance; and the Ministry of Environment. It is expected that information and tools generated by the project will increase capacities of the ministries, and other entities involved, to include climate change relevant aspects in public policies and decision making process in order to achieve NDC goals.

Furthermore, Peru will participate in the CBIT global coordination platform and other relevant platforms and networks, providing and receiving inputs. The project proposal will therefore define how national CBIT information shall be shared and updated on the global coordination platform. Sharing lessons learnt and experiences under the platform will ensure alignment of Peru's CBIT project with other national, regional and global transparency initiatives.

### **PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)**


**A. RECORD OF ENDORSEMENT<sup>10</sup> OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):**

(Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [SGP OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)

**B. GEF AGENCY(IES) CERTIFICATION**

**This request has been prepared in accordance with GEF policies<sup>11</sup> and procedures and meets the GEF criteria for project identification and preparation under GEF-6.**

Agency Coordinator, Agency name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email
Kelly West, Senior Programme Manager & Global Environment Facility Coordinator Corporate Services Division UN Environment		September 20, 2017	Geordie Colville	+254-207623257	Geordie.Colville@unep.org

**C. ADDITIONAL GEF PROJECT AGENCY CERTIFICATION (APPLICABLE ONLY TO NEWLY ACCREDITED GEF PROJECT AGENCIES)**

For newly accredited GEF Project Agencies, please download and fill up the required [GEF Project Agency Certification of Ceiling Information Template](#) to be attached as an annex to the PIF.

<sup>10</sup> For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

<sup>11</sup> GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT