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# PERU CLIMATE CHANGE COUNTRY PROFILE

Home to more than 13 percent of the Amazon rainforest, Peru ranks fourth in the world in terms of tropical forest cover. For that reason, efforts to reduce deforestation and forest degradation in Peru are critical to global efforts to address climate change. USAID works hand-in-hand with government, civil society, and local and indigenous communities to protect forests and watersheds, create sustainable livelihoods, and increase resilience to climate change for people and ecosystems alike.

Deforestation, forest degradation, and other land-use changes are responsible for nearly half of Peru's greenhouse gas emissions, threatening the country's economic and cultural development. Efforts to reduce deforestation and forest degradation in the Amazon rainforest are critical to regulating global carbon cycles and mitigating climate change.

While Peru is already highly susceptible to climate-related natural disasters—including floods, droughts, and landslides—climate change also exacerbates the strong effects of the El Niño Southern Oscillation on the frequency and severity of extreme weather events. Meanwhile, agricultural expansion, illegal logging, illegal mining, air and water pollution, and security threats to environmental defenders and indigenous communities not only stifle Peru's economic development but also jeopardize its cultural and environmental heritage.

## Government of Peru Climate Priorities

The Government of Peru, in part through its Nationally Determined Contribution (NDC) to the United Nations Framework Convention on Climate Change (UNFCCC), has set ambitious targets to reduce greenhouse gas emissions and increase the country's economy-wide resilience to climate change. Key mitigation and adaptation goals include:

- Achieving carbon neutrality by 2050 and significantly reducing climate change impacts through the development and implementation of a participatory "Climate Change Strategy Towards 2050";
- Limiting overall greenhouse gas emissions to no more than 209 million tons of CO<sub>2</sub> equivalent by 2030 (or, with significant international financial support, to no more than 179 million tons of CO<sub>2</sub> equivalent by 2030);
- Implementing 66 climate mitigation measures aiming to reach national mitigation targets across Peru's energy, transportation, agriculture, solid waste, industrial processes, and forest sectors; and
- Implementing 84 climate adaptation measures across seven critical sectors, including water, health, fishing and aquaculture, agriculture, forests, transport, and tourism.

## USAID'S Climate Change Program: Objectives and Results

USAID's development objectives in Peru revolve around climate action, and focus on strengthening climate resilience, empowering marginalized populations to address climate change, and increasing the practice of climate-smart agriculture.

USAID works with government, civil society, and local and indigenous communities throughout Peru and the Amazon basin to improve natural resources management and governance and support sustainable economic development. Currently, USAID supports the Government of Peru's climate priorities through programs and partnerships designed to reduce conservation crimes, improve natural resource governance, reduce deforestation, limit greenhouse gas emissions, protect biodiversity, and increase resilience to droughts and floods. These efforts include promoting climate-smart agricultural practices amongst coffee and cacao growers, enhancing climate adaptation strategies and lowering emissions from other agricultural value chains, and incorporating climate change considerations in Peru's health care system.

### Adaptation

USAID's work on climate adaptation in Peru focuses on strengthening the country's water security, improving the resilience of agricultural value chains and food security, advancing climate monitoring, and empowering local communities, agricultural producers, and the Government of Peru to protect and sustain water, soil, forest, and marine resources. A significant portion of this work promotes nature-based solutions and supports natural infrastructure projects, such as forest and wetland conservation and restoration, which help maintain water supplies.

#### **Key Results**

USAID has helped:

- Build a portfolio of natural infrastructure for water security investments valued at \$373 million including \$39 million in investments that have been mobilized and are either being implemented or moving towards implementation—thanks to collaborations with dozens of partners
- Train more than 6,390 professionals to design, monitor, and manage natural infrastructure projects, while improving the capacity of professionals from eight national, regional, and local institutions to address climate change impacts
- Develop and disseminate 11 tools to support the scale-up of natural infrastructure projects
- Support Peru's water and sanitation regulator and the country's National Water Authority to develop and implement gender equality policies that will improve gender equity in plans and activities
- Support 34,300 farmers in San Martin, Ucayali, Pasco, Junin, Cusco, and Huanuco to implement climate-smart agricultural practices including agroforestry systems, soil and water conservation, post-harvest improvements, and inorganic and organic waste management

#### **Key Adaptation Activities**

#### Natural Infrastructure for Water Security (NIWS, 2017-2027)

This activity scales up investments in gender-sensitive natural infrastructure in Peru as a strategy to regulate water supply and increase resilience to climate change. Direct beneficiaries include urban and rural populations as well as key economic sectors, such as agriculture, that are vulnerable to water scarcity and floods. NIWS supports the vision and leadership of the Government of Peru and communities as they aim to manage critical water risks using "natural" or "green" infrastructure—such as wetland and forest conservation, improved grazing and farming practices, and restoring pre-Incan infiltration canals—to meet Peru's water challenges and reduce risks from droughts and floods. The activity will also support innovative financing to broaden funding for natural infrastructure in Peru. Canada's Department of Foreign Affairs, Trade, and Development has committed an additional \$12.5 million funds to this project to deepen the work and expand its scope to reinforce gender equality and the empowerment of women and girls.

#### SERVIR-Amazonia (2018-2023)

This joint initiative between NASA and USAID works with stakeholders in Peru and throughout the Amazon to develop state-of-the-art geospatial and satellite-based tools to improve the monitoring and management of climate change impacts, and to empower authorities to rapidly respond to natural disasters. SERVIR services not only reduce the risks from drought and flooding, but also help predict fire danger and model soil fertility.

#### Extractive Industry Transparency Initiative (EITI, 2021-2026)

Improving natural resource governance, increasing transparency, and reducing corruption are essential to increasing climate ambition in Peru. <u>EITI</u> facilitates cooperation among government agencies, extractive companies, and civil society to increase citizen participation in both natural resource management decisions and dialogues about climate risks, while assisting regional and local governments

to invest in natural infrastructure and climate-resilient water resources management practices using royalty funds—such as required payments from extractive industries—in La Libertad, Ancash, and Cajamarca.

#### Fire Management and Response in the Amazon Region (2020-2025)

<u>This activity</u> provides technical expertise in preventing and fighting fires to protect people and forest resources by supporting government institutions and local partners to collaboratively develop national fire management policies and support standard firefighting courses to promote the sharing of professional firefighting resources across borders. The activity also helps modernize wildland fire forecasting systems that provide decision-makers with timely information so that they are able to make better on-the-ground operational decisions.

#### Coffee Alliance For Excellence (2016-2024)

<u>The Alliance</u> works with 8,300 coffee farmers to implement sustainable and low-emission production practices, including the installation of more than 12,000 hectares of coffee-producing lands under agroforestry systems, integrated pest management, regenerative agriculture, wastewater management, and solar-drying facilities. The Alliance also incorporates traceability technology to monitor crop expansion activities and prevent deforestation.

#### Specialty Coffee Community (2021-2026)

<u>This activity</u> works with 3,200 certified fair trade and organic coffee farmers who are implementing climate-smart agricultural practices and managing more than 10,520 hectares of coffee-producing lands under an agroforestry system. The activity also incorporates traceability technology to monitor crop expansion activities and prevent deforestation.

#### Peruvian Coffee and Quinoa Development (2022-2027)

<u>This activity</u> works with 1,000 coffee and 350 quinoa producers, implementing sustainable and regenerative agricultural practices, including organic production, integrated pest management, wastewater management, and organic waste management.

#### Transforming the VRAEM: The Land of Fine Flavor Cacao (2023-2026)

<u>This activity</u> works with 1,200 farmers to introduce them to climate-smart agricultural practices, ensuring that the expansion and improvement of cacao production in the Valle de los Ríos Apurímac, Ene, and Mantaro (VRAEM) region will have minimal environmental and land-use impacts. The activity also incorporates traceability technology to monitor crop expansion activities and prevent deforestation.

### Natural Climate Solutions

USAID's natural climate solutions portfolio reduces net greenhouse gas emissions while strengthening natural resources management to expand economic and social benefits.

**Key Results** 

USAID has helped:

• Improve forest management with climate mitigation benefits across more than 48 million hectares in the Amazon, including 2 million hectares in Peru

- Avoid, sequester, or reduce 38.5 million metric tons of  $CO_2$  in the Amazon basin, including more than 1,000,0000 metric tons in Peru
- Support more than \$50 million in projects that combat deforestation and forest degradation; these activities also leveraged an additional \$29 million in public and private financing to support forest conservation
- Improve forest management and protection, access climate finance, and secure resource rights through work with 91 indigenous communities in Loreto, Madre de Dios, and Ucayali

#### **Key Natural Climate Solutions Activities**

#### The Amazon Business Alliance (ABA, 2020-2025)

<u>The Alliance</u> supports conservation enterprises to limit deforestation and forest degradation, restore degraded ecosystems, and improve community livelihoods. ABA has committed to significantly reduce greenhouse gas emissions in the Peruvian Amazon, with a goal of contributing up to three percent of Peru's greenhouse gas emissions reduction goal in the Agriculture, Forest, and Other Land Use category.

#### Forest+

<u>This collaboration</u> with the U.S. Forest Service helps implement a multiple-use forest management approach in the Amazonian forests of the Loreto, Madre de Dios, and Ucayali regions of Peru. Forest+ works with regional and national government agencies, indigenous and forest-dependent communities, and the private sector to improve sustainability and inclusivity, strengthen monitoring and oversight, improve community forest management, and modernize the forestry sector to create sustainable economic opportunities while conserving the Amazon and decreasing Peru's greenhouse emissions—60 percent of which come from the conversion of forest landscapes.

#### Amazonia Connect (2022-2027)

The <u>Amazonia Connect</u> initiative aims to reduce deforestation driven by commodity production and enhance biodiversity conservation in the Amazon. In Peru specifically, Amazonia Connect focuses on the coffee and oil palm industries in the San Martin and Ucayali regions. The goal is to encourage the adoption of environmentally friendly low-carbon agriculture and deforestation-free production approaches. To that end, the initiative accelerates the implementation of monitoring systems to ensure biodiversity protection and deforestation-free sourcing. In its first year, Amazonia Connect improved the management of approximately I.8 million hectares of ecologically significant areas in Peru through deforestation and biodiversity monitoring. The initiative has also secured \$3.4 million in public investment to expand the adoption of low-carbon agriculture and zero-deforestation production methods.

#### Business Case for Collective Landscape Action (2021-2026)

This initiative is a global public-private partnership designed to reduce commodity-driven deforestation by driving investment in sustainable sectors in tropical landscapes. The initiative develops multistakeholder landscape action plans, increases disclosure of information on environmental performance in tropical landscapes, and develops innovative financing mechanisms for sustainable investments. Global targets include reducing 9.1 million tons of  $CO_2$  emissions; improving 1.8 million hectares of land through sustainable natural resource management practices; delivering economic co-benefits, such as improved livelihoods, to more than 12,000 people; and mobilizing \$30 million for climate action.

# Center for Amazonian Scientific Innovation – Alliance for Science and Ecosystem Recovery (CINCIA-ACIERTA, 2021-2026)

The expansion of alluvial gold mining has caused the deforestation of more than 150,000 hectares of forest in the Madre de Dios region since the 1980s, contaminating waterways with mercury and impacting human and environmental health. In Loreto, for example, illegal activities are concentrated in water courses. The goal of <u>CINCIA-ACIERTA</u> is to build scientific capacity in the Peruvian Amazon region of Madre de Dios and Loreto to counteract growing environmental threats. CINCIA-ACIERTA leverages alliances with U.S. and Peruvian institutions to develop transformative solutions that promote sustainable development, combat environmental destruction caused by alluvial gold mining, and improve human health in the Peruvian Amazon.

#### Amazon Indigenous Rights and Resources (AIRR, 2019-2024)

This activity seeks to conserve biodiversity by empowering indigenous peoples to more effectively exercise their rights in the face of large-scale infrastructure development and extractive activities that may affect their livelihoods. The activity aims to incorporate the rights and interests of indigenous peoples into public- and private-sector development planning to balance human welfare and environmental conservation.

#### Together for Conservation (Conservando Juntos)

<u>This project</u> strengthens regional collaborative civil society networks that connect the local experiences of indigenous peoples and communities with private companies, media outlets, journalist networks, and other civil society organizations to develop innovative and effective environmental conservation solutions that can be expanded or replicated beyond the project's direct areas of influence.