Market Readiness Proposal (MRP) of Peru
Summary of Expert Group Feedback

Country: Peru
Expert Presenter: Noémie Klein on behalf of the Expert Group
Date of presentation: 28 October 2015
Outline of Presentation

1. Brief description of PMR Expert Feedback Process

2. Overall impression of the MRP

3. Key suggestions/issues raised by the Expert Group for MRP and future work

4. Key challenges and opportunities going forward
1. Brief description of PMR Expert Feedback Process

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<thead>
<tr>
<th>PMR Expert Group</th>
<th>Feedback Process</th>
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<tr>
<td>Pedro Barata</td>
<td>Draft MRP submitted to Secretariat: September 21</td>
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<td>Alberto Galante</td>
<td>Written feedback provided by the experts to the Secretariat: September 25</td>
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<td>Noémie Klein</td>
<td>Expert group conference call: September 25</td>
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<td>Consolidated feedback provided to country team: September 28</td>
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<td></td>
<td>Two-day in-country visit to discuss feedback and advance MRP: September 29-30</td>
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<td>Revised MRP provided to PMR Secretariat &amp; Expert Group: October 12</td>
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2. Overall impression of the Draft MRP by the Expert Group

- PMR process embedded in national context
  - Builds on existing mitigation initiatives
  - Aligned with national budgeting and economic and social priorities
  - Reflects international uncertainty around climate finance and carbon market mechanisms

- No regret-approach to prepare for a range of possible outcomes
  - Focus on laying foundations that maximize benefits in an uncertain environment and enable the generation of verified emission reductions
  - Possible outcomes include international crediting and RBF

- A discussion of the rationale for the approach would strengthen the proposal put forward
3. Key suggestions/issues raised by the Expert Group for MRP and future work

◆ Context
  ▪ Recent publication of Peru’s INDC ➤ How does the MRP fit in this context?
  ▪ Crediting mentioned as a possible market instrument for Peru but no discussion of the choice ➤ How was that decision made?

◆ Choice of sectors
  ▪ Significant work done during the preparation of the MRP to review existing mitigation activities
    ➤ What criteria were used to select the sectors and specific actions?
  ▪ Some of the actions are being implemented
    ➤ What remaining needs will the MRP will address?
  ▪ Limited mitigation potential of PV action and ongoing implementation
    ➤ What is the rationale for the choice?
3. Key suggestions/issues raised by the Expert Group for MRP and future work

◆ Market readiness components
  ▪ Combination of top down and bottom up initiatives for data collection and MRV ➤ How will they fit together?
  ▪ Central infrastructure: the MAMS ➤ What is needed to have an operational MAMS? What remit will the MAMS have?

◆ Operationalization of the MAMS through the 3 focus mitigation actions
  ▪ MAMS is a common framework, each mitigation action has its own path towards implementation ➤ What is needed to test the MAMS with each of the 3 pilot actions? What can the PMR bring compared to other types of support?
4. Key challenges and opportunities going forward

- Peru’s MRP illustrates concept of no-regret approach. Activities put forward organized around central themes, including:
  - MRV and registry
  - Baselines and mitigation potential
  - Source of demand
  - Investment, regulatory and institutional frameworks

- Common themes across group of 8 countries exploring crediting
  - Countries would benefit from targeted technical support for implementation and exchange of experience

- For Peru as well as other PMR countries: PMR process tightly linked with INDCs
  - PMR could/should act as catalyst for the review and implementation of INDCs
  - How to ensure no-regret activities deliver as expected?
Thank you

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