Promoting Voluntary Action in Chile

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Brief context of Chile

Despite representing only 0.25% of global GHG emissions, Chile is highly vulnerable to Climate Change

Developing country with increasing GHG emissions

Non-Conditional NDC: Reduce CO2 emission intensity in 30% (Baseline year: 2007)

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<td>Chile presents its voluntary mitigation commitment (COP15, Copenhagen)</td>
<td>Ratification of the voluntary commitment</td>
<td>MAPS-Chile Project begins: Key information for decision making process</td>
<td>Public consultation of the INDC and Submission of the 1st BUR</td>
<td>Chile announces the Chile's INDC in the UN general Assembly</td>
<td>Public consultation of the National Action Plan on Climate Change; 2nd BUR; 3rd NC</td>
<td>Ratification of the Paris Agreement and publication of the PANCC (next)</td>
<td>Soon: Submission of the 3rd BUR</td>
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What is the Government doing to promote voluntary climate action?
• **Purpose:** Recognize GHG management and incentive to continuous improvement

**GHG Quantification**
- Quantify and report GHG emissions using the HuellaChile program tool

**GHG Reduction**
- Quantify and report reductions of GHG emissions generated by actions implemented in the organization

**GNG Neutralization**
- Reduce GHG emissions from implemented actions and, additionally, acquire carbon credits from national projects

**Excellence on GHG Management**
- Comply with reduction or neutralization and with at least four of the following attributes:
  - Commitment
  - Cooperation
  - Sensitization
  - Co-benefits
  - Continuous improvement
  - Proactivity
  - Neutralization
• 92% of recognitions are for GHG quantification: information necessary to establish a baseline for comparison to estimate GHG emission reductions by implemented actions.
• 6% for the implementation of GHG reductions, including one local government.
• 1 recognition for neutralization with carbon credits from national projects of the corporate offices of a company.
• 1 recognition of excellence.
Sello Eficiencia Energética

The Seal of Energy Efficiency (Sello EE) is an initiative of the Ministry of Energy, managed by the Energy Sustainability Agency (ASE), whose objective is to recognize those leading companies in the development of energy efficiency nationwide.

2017 version:
✓ 3 categories: Bronze, Silver and Gold
✓ 22 companies recognized
✓ Energy consumption avoided: 591 [GWh/yr]
Sello Eficiencia Energética

**Bronze**
- Energy Manager
- 1 energy efficiency measure implemented
- Maxumun energy consumption: 10 [Tcal]

**Silver**
- Have an Energy Management System (validated)
- 1 energy efficiency measure implemented

**Gold**
- ISO 50.001
- 2 energy efficiency measure implemented
Clean Production Agreements

• A Clean Production Agreement (Acuerdo de Producción Limpia APL) is a voluntary non-binding agreement between a business association, companies and public bodies with competence in the matters of the agreement, whose objective is to apply clean production through specific goals and actions.

• The objective of the APL is to serve as a management tool to improve the productive, environmental, occupational hygiene and safety, energy efficiency, efficiency in the use of water, and other matters addressed by the agreement, seeking to generate synergy and economies of scale in achieving the agreed objectives. In the same way, it seeks to increase productive efficiency and improve competitiveness.
Clean Production Agreements

• The Agency for Sustainability and Climate Change (ASCC) acts as promoter, coordinator and certifying agency.

• Results: 8,113 companies with 13,266 production facilities in 157 different agreements, avoiding the final disposal of at least 824 thousand tons of waste, and increasing the valorization by at least 5 million tons (mainly as a soil improver)
Comuna Energética

• Comuna Energética seeks to contribute to face the challenges of climate change from a local dimension. To do this, it fosters the sustainable local energy development of the communes and the creation of resilient communities.

Phase 1
Local Energy Strategy (EEL)

Phase 2
Implementation of EEL’s Action Plan

Phase 3
Comuna Energética Seal (evaluation and monitoring of pase 2)
Comuna Energética

• Local Energy Strategy:

SOCIO-TECHNICAL ANALYSIS

VISION, OBJECTIVES AND GOALS

ACTION PLAN

Ministry of Energy
Mayor
City’s Energy Manager
Consultant
Schools
Companies
Energy Distributors
NGOs
Investors
Citizens

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Comuna Energética

2015: 8 LOCAL GOVERNMENTS
2016: 15 LOCAL GOVERNMENTS
2017: 13 LOCAL GOVERNMENTS
2018: 11 LOCAL GOVERNMENTS

Consultar la Pagina Web
http://www.minenergia.cl/comunaenergetica/

47 LOCAL GOVERNMENTS IN THE PROGRAM
Decarbonization Roundtable

- Jan. 2018: Agreement between MoE and Electricity Generators (AES Gener, Engie, Colbún and Enel) in terms of not starting new coal-fired thermoelectric generation projects that do not have a carbon capture system.
Objective:
Provide background and analyze the effects of the removal and/or conversion of coal units on the security and economic efficiency of the national electricity system, local economic activity and the environmental aspects that have an impact.

Based on the results of the roundtable, the companies that signed the agreement will voluntarily and individually submit a schedule and the conditions for the programmed and gradual cessation of the operation of coal-fired plants.
What are we doing about Monitoring, Reporting and Verification?
MRV for mitigation actions

• CBIT project: the Ministry of Environment is designing a MRV system in order to track and register the mitigation actions in Chile

• PMR project: the Ministry of Energy is implementing a MRV system to register and track the mitigation actions of the energy sector

• PMR project: the Ministry of Energy is piloting the potential use of blockchain technology to register and track Mitigation Outcomes using solar renewable electricity generation of the solar panel of the Public Solar Roofs Program.
The Energy Project Savings Certification (CAPE) aims to measure, evaluate, review and certify the results obtained after the implementation of an energy project, which seeks to reduce energy consumption in a facility.

- Apply to Energy Efficiency and Renewable Energy projects.
- Based on the International Performance Measurement and Verification Protocol (IPMVP)
- It was launched in April 2018. At the date there aren’t projects certificated.
Final thoughts
Remaining Challenges

• Generate synergies between the different programs and stamps, in order to be more effective and promote voluntary climate action

• Explore mechanism like offsets to support carbon pricing instruments and climate action

• Create sustainable business models for the private sector to participate more actively in the implementation of the action plans of instruments such as local energy strategies
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