

Mission Report Program: Closed Looped Cycle Production in the Americas

Mission Team: Kevin de Cuba (Program Manager) and Walter Araya (Program Coordinator) Lima, Peru December 03-06, 2013

1. GOAL OF PROGRAM

To contribute to nations in the Americas' capacity to promote and facilitate the adoption and implementation of Closed Looped Cycle Production design and manufacturing methods as one means of promoting sustainable development.

2. SPECIFIC OBJECTIVE

Increased awareness and buy-in on the part of stakeholders in participating countries, of the relevance and viability of innovative Closed Looped Cycle Production methods and certification as means for energy efficient and sustainable production in companies with focus on small and medium sized enterprises.

3. OBJECTIVE OF MISSION

- (a) To participate as implementers of the Closed Looped Cycle Production in the Americas (CLCPA) initiative and official LEDS-GP partner in meetings and workshops organized by the Low Emissions Development Strategies (LEDS) Global Partnership and LAC regional secretariats held in collaboration with the InterClima 2013 Conference Peru. See for background Lima, more information: http://ledsgp.org/LEDSLAC/Segundo Taller and (2) http://interclima.minam.gob.pe/-Que-es-InterCLIMA-.html#51
- (b) Meet with senior officials relevant to the topics of energy, climate change mitigation and adaptation, and from the production sector, located in Peru to promote the CLCPA program and initiatives managed by the OAS/DSD including the Energy and Climate Partnership of the Americas (ECPA), Pathways to Prosperity in the Americas (Pathways), and the Renewable Energy and Energy Efficiency Partnership (REEEP), among other;
- (c) Establish new strategic contacts and partnerships with the LEDS-LAC Secretariat and Platform on behalf of OAS/DSD to facilitate the process of becoming an official LEDS-LAC institutional partner;
- (d) Explore opportunities and establish formal contacts for OAS/DSD to engage in the preparatory activities for the upcoming Conference of Parties (COP-20) to be held in December 2014 in Lima, Peru; and
- (e) Hold a work plan meeting with the U.S. Environmental Hub at the U.S. Embassy in Peru to identify possible areas of collaboration in the wider Latin-American region.





MISSION RELEVANT EVENTS

Tuesday - December 03, 2013

Kevin de Cuba (KDC) and Walter Araya (WA) had a preparatory meeting to discuss last minute changes to the objectives and scheduling of the meetings during the mission. Contact was established with the Office of the OAS in Lima headed by Mr. Pablo Zuñiga to request an introduction meeting and layout the plan of action for the mission.

KDC and WA met with representatives of Ecosynergy and the World Bank Institute (WBI) to review preparations for the workshop to be held together with the OAS/DSD under the LEDS GP Working Group on Integration of Capacities to increase Resilience to Climate Change during the InterClima event.

Wednesday, December 04, 2013

KDC and WA attended the Opening Ceremony of the InterClima 2013 Conference.



Opening ceremony of the InterClima 2013 Conference

The following issues were found relevant to the CLCP Americas program¹:

(1) The Planning for Climate Change (PlanCC)² referred to by Minister Manuel Pulgar-Vidal, Minister of Environment of Peru, during his opening speech, was designed with the participation of public, private



¹ Programme, II Regional Workshop Platform on Strategies for Low Emissions Development in Latin America and the Caribbean: http://prod-http-80-800498448.us-east-1.elb.amazonaws.com/w/images/1/1f/Agenda LEDS LAC.pdf



and non-governmental institutions under the leadership of a Government Steering Committee. This committee is chaired by the Ministry of Environment with participation by the Ministry of Foreign Affairs, the Ministry of Economy and Finance, and the National Center for Strategic Planning (CEPLAN), coordination is handled by Libelula and receives financial support from the Children's Investment Fund Foundation (CIFF), the Swiss Agency for Development and Cooperation (COSUDE), and the Climate and Development Knowledge Network (CDKN). The Administrator of the Funds is under the responsibility of Helvetas Swiss Intercooperation.³





- (2) The project is part of MAPS, which is a collaboration among developing countries (South Africa, Argentina, Brazil, Chile, Colombia, and Peru). MAPS supports the establishment of a database useful for the long-term transition towards solid economies compatible with the climate.
- (3) INTERCLIMA started the preparation process of the COP20 to be held in Lima (December, 2014). Three of the key conceptual components that arise as part of the overall architecture for a new climate agreement in 2015 (Post 2015-agenda) includes: (i) Development Strategies for Low-Emission (LEDS); (ii) National Appropriate Mitigation Actions (NAMAs); and (iii) finally Monitoring, Reporting and Verification (MRV).
- (4) For some, the world now faces a difficult choice between aiming for increased prosperity and achieving a more sustainable clean environment. In fact, with new technology and new ideas, as is the case of the Closed Looped Cycle Production concept, politicians and decision-makers can find a sustainable balance between these competing interests.
 - a. Specific issues addressed during the InterClima Sessions included among other:



² View Interclima presentations and results for Day 1-2-3 and marketplace: http://interclima.minam.gob.pe/-Resultados,22-.html#549

³ Planning for Climate Change (PlanCC): http://www.planccperu.org



- i. The importance of sharing knowledge, best practices and lessons learned from different development processes in the global / regional level;
- ii. Accountability of the public sector;
- iii. The need to strengthen processes and capabilities to respond to different policy instruments (eg. public policy, as for instance the National Development Plans, COP, and the Marrakech Process), plans and strategies for implementation of actions of priority for climate change resilience and mitigation (eg. Transport, agriculture, forestry, energy, and waste);
- iv. The management of networks and teamwork through partnerships between the public, private and civil society sectors;
- v. As a result of COP 19 in Warsaw, the leadership highlighted the interrelation of climate with development issues and energy; and
- vi. The new Climate Change Law of Mexico: showcasing the breaking of paradigms, and the potential to develop a new development model.
- (5) According to the plenary session "Opening the way for developing low-emission and climate-resilience in Peru: progress and challenges", led by the Vice-Minister of Strategic Development of Natural Resources (MINAM), Mr. Gabriel Quijandría the following key issues relevant to CLCP Americas were addressed:
 - a. Peru presents high vulnerability to climate change, and for this reason significant importance is placed on the issue of mitigation, whose goal in the medium/long term is the reduction of emissions through measures in line with a National Development Plan and while achieving sustained growth until 2050 (eg. PlanCC 2012-2050, co-benefits/impacts). These measures should incorporate plans and implementation strategies of high standard, with periodic monitoring and evaluation of results according to a validated metric among key sectors of the economy. Peru is facing challenges of achieving GDP growth in line with the MDG and SDG. Peru being the most vulnerable country in the region to CC, currently devotes 7.5% of the GDP to mitigation measures to address the climate reality (eg. In the areas of agriculture regarding the use of water).

Thus, it is crucial to reduction of emissions through measures in line with a National Development Plan and while achieving sustained growth until 2050 (eg. PlanCC 2012-2050, cobenefits/impacts, etc.). These measures should incorporate plans and implementation strategies of high standard, with periodic monitoring and evaluation of results according to a validated metric among key sectors of the economy.



The articulation of the functions of planning, monitoring, and evaluation is fundamental to increased chances of impact by an organization or program. Usually these activities are carried out, but are scattered and usually end in an institutional impasse.

- b. By adopting new economic models, even countries with abundant resources or finite reserves, can gain much by being able to reduce the national resource requirements. In turn, companies have also been quick to adopt new practices; many now routinely monitor and report on their environmental impact through Corporate Social Responsibility (CSR) schemes. Some are even beginning to develop new industries, based on concepts such as the "circular economy" concept. Such a revolution may be triggered by necessity, but with ingenuity and cooperation, it has the potential of becoming globalized.
- (6) The Latin American platform for low carbon development (LEDS-LAC), aims to facilitate future actions through a consultative body in the following areas:
 - a. Linking mitigation and adaptation as guiding principles to streamline the implementation of concrete actions (eg. Development webinars next to WBI);
 - b. Planning of low carbon development and climate-resilient actions: focus on steps, tools, actors, and conditions necessary for its implementation; and
 - c. Integrate the planning cycle of various multi-sectoral development strategies (eg. Project Cycle Management), how to allow the building of a new political infrastructure based on a low emission economic growth pathway (eg. Green growth and/or Circular Economy).

Thursday, December 05, 2013⁴

KDC and WA participated in several seminars organized by the LEDS LAC Secretariat and PlanCC (Libelula) at the venue of the InterClima 2013 Conference. The following workshops were attended and outcomes were found relevant to the CLCP Americas program:

(1) Workshop: Avoiding emissions and solving local problems with waste management.

Organizers: This session was organized by the program to support mitigation actions in the sector of solid waste management in Peru.

Moderator: Luis de la Torre, consultant NIRAS.

Exhibitors: Outi Myatt - Hirvonen, Minister of Cooperation of the Andean Countries of the Embassy of Finland in Peru; Jan Janssen, consultant NIRAS; Andreas Elmenhorst consultant NIRAS; Eduardo Durand, Director General of Climate Change, Desertification and Water Resources MINAM - Peru.

⁴ View Interclima presentations and results for Day 1-2-3 and marketplace: http://interclima.minam.gob.pe/-Resultados,22-.html#549





Pannel Discussion on avoiding emissions and solving local problems with waste management

Principle outcomes/findings:

- a. The inclusion of waste-to-energy solutions in the energy matrix and incorporating producer responsibility within an integrated management system is needed (eg. case of solid waste and Nationally Appropriate Mitigation Actions (NAMAs)⁵ approach; biological / mechanical composting treatment, etc.).
- b. There are about 1,800 potential NAMAS to be developed specifically regarding waste issues in municipalities throughout the region. There are different examples of ongoing efforts and/or signifant changes in the policy arena in the LAC region facilitating this process:
 - Peru The Peru Pilot Program in the Waste Management Sector through support from the Nordic Environmental Finance Cooperation (NEFCO) is a good example of the applicability of NAMAs for low emission development in the Waste Management Sector, see for more detailed the following presentation: http://waste.ccacknowledge.net/sites/default/files/CCAC images/events documents/Durand%20(Peru)%20%26%20Sharma%20(NEFCO)%20-%20Solid%20Waste%20NAMA%20Peru.pdf;
 - Mexico The implementation of Mexico's new Climate Change Law includes also the ii. the use of NAMAs related to dealing with the problem of waste. See:



⁵ See: http://unfccc.int/focus/mitigation/items/7172.php



- http://unfccc.int/files/focus/mitigation/application/pdf/mexico_update_in_mexican_ policy developments.pdf;
- iii. Chile - In the case of Chile, an organic waste NAMA is developed to divert organic industrial waste from landfills, reduce the use of dumps, and promote source separation at the municipal level. See: http://ccap.org/programs/industrial-andmunicipal-waste-nama-in-chile;
- iv. Colombia – In Colombia NAMAs have been developed to address solid waste policies at the national level and performing feasibility analysis of next generation waste management projects in various Colombian municipalities. See: https://www.globalmethane.org/expo-docs/posters/MSW/MSW CO NAMA EnvCA-CCAP FINAL.pdf.
- In the context of Peru, there is first a need for diagnosis of different regions of the country with the participation of NGOs, chambers of commerce, businesses, etc. The focus should be principally placed on capturing landfill gas or methane (CH4) at final disposal sites or open dumps.
- d. There is direct support available from the Scandinavian governments to accompany development process capabilities (eg. through the Nordic Council of Ministers).
 - i. There is a development of 31 city/regional waste management plans;
 - ii. 17 CDM projects on CH4 uptake in landfills have been completed/ongoing;
 - iii. Work is underway regarding a process related to the implementation of a political and regulatory framework for waste management to leverage actions and solutions with industry (eg. Fostering public-private initiatives and promotion/strengthening, for the management of solutions to flows of plastic PET);
 - iv. NAMAs could represent approx USD 150M in value, specifically related to agribusiness management solutions to organic waste. There is also a similar NAMA in Colombia in the area of municipal solid waste.
- e. There was a request for supporting solutions for handling tires at the end of its useful life for the production of energy in different municipalities.
- Policies and best practices that facilitate the implementation of LEDS should include: (i) Policies that can transform economies, and (ii) Focus on local low emissions potential and seek for benefits of technology scaling.
 - Example: Efficient use of kitchens for cooking; use existing industry knowledge, i. facilitate international exchange of results; seek for efficient cooking equipment as replacement for firewood ovens/bricks; assess best available technologies (soft/rugged); promote innovation and development; secure carbon credits for capital injection to cash flow in the operation tailored solutions to implement (finding a source of additional financing); and monitoring and evaluation focused on co-benefits





and impacts through available clean technology, energy efficiency and rational use of energy sources.

g. It will be important to include co-benefits aspects in the process of formulating the master work plan for CLCP Americas.

(2) Meeting with OAS - Peru Office and U.S. Regional Environmental Hub in Peru



Mr. Griffin (US-Environmental Hub in Peru) and Mr. Zuniga (OAS Representative in Peru)

Main points discussed and agreed upon:

- a. Use the past CLCP Ecuador experience as an example of a successful case and use this to approach Peru and other countries to secure commitment to launch CLCP activities;
- b. Initiate liaison with former ministers of Peru and with old ties, as ambassadors in DC to make them aware of the CLCP Americas Initiative;
- c. The OAS-Peru office will assist in identifying government partners in Peru in Ministries of Economy and Industry, Productivity and Development, Coordination, International Cooperation, and other related themes, including international partners as IDB, WB, and academia including the various faculties and chairs in engineering design, mechanical, industrial, among others;





- d. Establish a closer collaboration between Mr. Pablo Zúñiga, OAS Representative in Peru, and Mr. Andrew Griffin, the US Environmental Hub, with the intention of identifying possible joint activities for the OAS/DSD. Both offices could provide support in identifying key contacts/meetings with various programs at the IDB, WB, NREL, Ministry of Development, among others;
- e. Will share the CLCP Mission Report with Mr. Zúñiga (OAS-Peru); and
- f. Send email to Libelula and Incae (LEDS-LAC), Caroline and Ron of NREL (LEDS-GP), and Cletus and Mark (OAS/DSD), and Zúñiga (OAS-Peru) about our involvement in the LAC LEDS; send Website/LinkedIn which shows that we are already part of the LEDS Global Partnership and share information that is needed to formalize our involvement, presence and participation as OAS/DSD in the LAC-LEDS platform.

(3) Workshop: Integration of tools/capacities to build up Resilience to Climate Change





WA on behalf of OAS/DSD, co-hosted together with the World Bank Institute and Ecosynergy under the LEDS Working Group on Resilience to Climate Change, a workshop focused on assessing alternative decision-making tools and negotiation processes to optimize the integration of Low Emission Development Strategies in a country. A case study "Ventura" was used to allow participants to conduct role-plays and negotiate terms for the development of a National Low Emission Development Plan. This process allowed for the listing of creative ideas and possible instruments that could be adopted by the senior officials involved in the Climate Negotiations for the COP-20 to be held in December 2014 in Lima, Peru.



(4) Market Place at InterClima

KDC and WA had the opportunity to promote the Closed Looped Cycle Production in the Americas initiative among all the participants to the LEDS-LAC and InterClima conference during the Market Place sessions.





The initiative is promoted as a climate change mitigation effort that focuses on facilitating the transition towards a circular economy (thus a low emission development strategy). The initiative got significant attention by senior representatives from different governments, international organizations, and other stakeholders at the InterClima conference.

(5) 15 year anniversary of the Latin American Network of Cleaner Production Centers

As a result of the Market Place session, KDC and WA got invited by the Head of the Swiss Development Agency to participate in a celebration of the 15th anniversary of the LAC Network of Cleaner Production Centers at the Swiss Embassy in Lima. WA and KDC had the opportunity to interact with Senior Staff of UNIDO, UNEP, Swiss Contact, and majority of the Executive Directors of the Cleaner Production Centers of the LAC region.

KDC and WA explained to the participants about the linkages of the Closed Looped Cycle Production in the Americas and OAS/DSD's role/partnership under the Low Emission Development Strategies Global Platform (LEDS-GP), the Energy and Climate Partnership of the Americas (ECPA), and the Pathways to Prosperity in the Americas (Pathways).

A meeting was held with Mr. Marcos Alegre (MA), Executive Director of the Cleaner Production Center of Peru where the following issues we discussed and agreed upon:



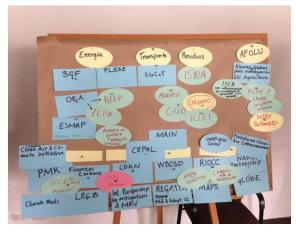
- a. The CPC-Peru is in the process of developing an eco-park that is highly based on the concept of resource efficiency and sustainable production and consumption. MA recommends the CPC-Peru and DSD/OAS to look together closely at this initiative and see whether there are common issues of interest and whether the conditions are suitable for the incorporation of the Closed Looped Cycle Production concept in this project; furthermore the CPC-Peru center is also open to discussing other possible areas of work that could fit under the CLCPA program;
- b. KDC and MA agreed to organize a follow up conference call to start exploring collaborative opportunities.

Friday, December 06, 2013⁶

KDC and WA participated in workshops organized by the LEDS LAC Secretariat regarding the establishment of strategic partnerships for furthering the work on promoting low emission development strategies in the Latin American and Caribbean region.

(1) Workshop: Finding synergies between regional and international platforms and initiatives





A workshop was held by the LEDS-LAC Secretariat to assess existing parterships or initiatives and seek ways in how the LEDS-LAC could bring added value to building cooperation and sharing information in the region regarding low emission development startegies. A broad listing of initiatives and partnership platforms were presented, where KDC highlighted ECPA and REEEP as key regional/international platforms under the theme of sustainable energy development in the LAC region.



⁶ View Interclima presentations and results for Day 1-2-3 and marketplace: http://interclima.minam.gob.pe/-Resultados,22-.html#549



The LEDS-LAC Secretariat directed the conversation around thematic areas, as energy, transport, agriculture, waste, etc. And asked to what extent the present organizations/initiatives could/are contributing to streamlining collaboration and other efforts under these thematic areas. It results that there are more than a dozen initiatives/platforms operating in the LAC region and that it will be a challenge to bring everyone together. Therefore LEDS-LAC will spend time in assessing what each platform does and will reach out on an individual basis with each organization/initiative/platform to scope areas of collaboration.

5. MAIN OUTCOMES OF THE MISSION

KDC and WA, as implementers of the Closed Looped Cycle Production in the Americas (CLCPA) initiative and official LEDS-GP partners, participated in workshops organized by the LEDS LAC Secretariat and the InterClima Conference prepared by the Ministry of Environment of Peru regarding the establishment of strategic partnerships for furthering the work on promoting low emission development strategies in the Latin American and Caribbean region. Specific outcomes of the mission include:

- i. Establish new strategic contacts and partnerships with InterClima Conference participants and the LEDS-LAC Secretariat and Platform on behalf of OAS/DSD to facilitate the process of becoming an official LEDS-LAC institutional partner;
- ii. Assessed the evolution of the preparatory activities for COP-20 which is highly focused on building of a new political infrastructure based on low emission economic growth pathways (eg. Green growth and/or Circular Economy). Established formal contacts for OAS/DSD to engage in the preparatory activities for the upcoming Conference of Parties (COP-20) to be held in December 2014 in Lima, Peru;
- iii. Promoted the CLCPA program and initiatives managed by the OAS/DSD including the Energy and Climate Partnership of the Americas (ECPA), Pathways to Prosperity in the Americas (Pathways), and the Renewable Energy and Energy Efficiency Partnership (REEEP), among other during the assessment and development of the LEDS LAC platform; and
- iv. Facilitated a work meeting with the U.S. Environmental Hub at the U.S. Embassy in Peru and the OAS-Peru Office to identify possible areas of collaboration in the wider Latin-American region.

6. STEPS FORWARD/ACTIONS

- (a) Facilitate a process around the PlanCC-Peru prior to COP20 with the participation of public, private and non-Governmental Institutions and under the leadership of a Government Steering Committee;
- (b) Explore opportunities to engage in the preparatory activities for the upcoming Conference of Parties (COP-20) with the aim of elevating the topic of Closed Looped Cycle Production (Cradle-to-Cradle) on the international development agenda;





- (c) Assess policies and best practices that facilitate the implementation of CLCP activities in Peru. The objective should be to align CLCP actions with national planning instruments in Peru (eg. the National Development Plan, the National Plan for Social Inclusion - MIDIS, PlanCC, and COP 20);
- (d) Identify together with the OAS-Peru Office and US Environmental Hub possible areas of collaboration in the wider Latin-American region. For example exploring collaborative opportunities with the CPC-Peru as part of the LAC Network of Cleaner Production Centers, using the past CLCP Ecuador experience as an example of a successful case and use this to approach Peru and other countries to secure commitment to launch CLCP activities. KDC and MA will need to set-up a follow up call with MA (NCPC-Peru) to start exploring collaborative opportunities;
- (e) Search the opportunity to align the initiative CLCP Americas with the green climate fund through NAMAs instruments;
- (f) An email is to be sent to INCAE and Libedula (LEDS-LAC), Caroline and Ron Benioff NREL (LEDS-GP) and Cletus and Mark (OAS / DSD) and Zuniga (OAS-Peru) on our participation in the LEDS GP, with website / LinkedIn shows that we are part of the Global Alliance LEDS, this with the intention of sharing information that is needed to formalize the project involvement and presence; and
- (g) Need to establish a conference call with LEDS-LAC to scope areas of collaboration with ECPA, REEEP, and Pathways.

7. CONTACTS

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