



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



Programme for Country
Partnership **Peru**



PERU

Programme for Country Partnership — PCP

Annual Report **2020**



SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

10 REDUCED INEQUALITIES

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

11 SUSTAINABLE CITIES AND COMMUNITIES

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

17 PARTNERSHIPS FOR THE GOALS

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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PCP PERU AT A GLANCE

STATUS

Date of approval of the development of the PCP by the UNIDO Executive Board:
16 November 2015
Programming: January 2016 – December 2017
Implementation: Started in 2018 – ongoing
Expected completion date: 2022

PRINCIPLE NATIONAL POLICY / STRATEGY SUPPORTED BY THE PCP

Bicentennial Plan: Peru 2021 (*Plan Bicentenario: El Perú hacia el 2021*)
National Plan of Competitiveness and Productivity (2019-2030)

FOCUS SECTORS / AREAS

Quality and innovation
Value chain and enterprise development
Sustainable industrial parks
Industrial resource and energy efficiency, and renewable energy

MAIN PARTICIPATING MINISTRIES

Ministry of Production (Lead)
Ministry of Environment
Ministry of Foreign Affairs
Ministry of Transport and Communications
Ministry of Foreign Trade and Tourism

KEY DEVELOPMENT PARTNERS

Financial institutions: Development Bank of Latin America, International Financial Corporation/World Bank, Inter-American Development Bank, International Fund for Agricultural Development, National Development Bank of Peru

Bilateral/multilateral partners: China, European Union, Germany, Global Environment Facility, Republic of Korea, Spain, Switzerland (SECO)

UN entities: Resident Coordinator's Office, International Labour Organization, United Nations Development Programme, United Nations Environment Programme, World Health Organization, United Nations Institute for Training and Research, UN Women

Business sector: Asociación de Exportadores – ADEX, Cámara de Comercio de Lima - CCL (Chamber of Commerce of Lima), Sociedad Nacional de Industria – SNI (National Association of Industries)

Other partners: Pontificia Universidad Católica del Perú - PUCP (Pontifical Catholic University of Peru), regional governments, Universidad de Lima (University of Lima)

UNIDO PROJECTS WITH FUNDING SECURED (COMPLETED AND ONGOING)

Total number of projects: 12 (Annex 1)
Total funding secured: \$11,251,508
Total expenditures to end of current reporting period: \$ 890,596 (national projects)
Total balance available: \$10,360,912

TOTAL INVESTMENTS LEVERAGED (CUMULATIVE)

\$173,165,129

TOTAL PCP VOLUME

\$184,416,437

1. EXECUTIVE SUMMARY

The Programme for Country Partnership (PCP) for Peru was initiated in December 2015 under the initiative of the Government of Peru, and with the signing of a Joint Declaration to accelerate Inclusive and Sustainable Industrial Development (ISID) in the country. The programme, which contributes to the development of a modern, competitive and inclusive industry, is aligned with the country's main development policy framework "Plan Bicentenario: El Perú hacia el 2021" (Plan 2021). The latter is a strategic plan aimed to drive Peru towards an inclusive and sustainable development model. In 2019, the Government launched the new National Plan of Competitiveness and Productivity (PNCP) that reflects two key initiatives that started within the PCP Peru: the development of the National Strategy for Industrial Parks and the National Road Map for Circular Economy. It is foreseen to update and further align the PCP Peru with the new priorities of the Government at the beginning of 2021.

The year 2020 marked a new stage and renewed impetus in cooperation with the Government of Peru, with proposals received from PRODUCE and other actors, for the development of new initiatives within the framework of the PCP, aligned with national priorities. These prioritized initiatives (in the areas of circular economy, science and technology parks and aquaculture) progressed in 2020 technically, and will be presented to the first Working Group of Partners and Donors of PCP Peru in the first quarter of 2021.

By the end of 2020, funding for technical assistance amounted to USD 11,251,508 (excluding programme support costs), and cumulated investments and co-funding leveraged since the initiation of the PCP reached USD 173,165,129, more than double the value registered in 2019. Additionally, technical cooperation (TC) funding of USD 5.6 million is expected for 2021.

Along the year, the Programme was in contact with 14 public sector entities and established continuous collaboration with 11 of them. Similarly, the Programme maintained strong links with 9 representative entities of the private sector and industry, and other key actors involved in inclusive and sustainable industrial development.

Along 2020, the project on the development of eco-industrial parks in Peru began its implementation phase and UNIDO started to provide advisory services to PRODUCE for the development of a New Industrial Policy. A preparatory assistance phase for the development of Scientific and Technological Parks, in partnership with Concytec, also started its implementation.

On 23 November, the Chair of the Multisectoral Commission for the PCP (PRODUCE), participated in the forty-eighth session of the UNIDO Industrial Development Board, where he reiterated the importance given by the Government of Peru to the PCP Programme, highlighting the progress made in 2020 within the framework of the PCP and its coordination mechanism, particularly in terms of policy advice, partnerships and resource mobilization.

In line with this positive development above, the Vice-Minister of Mype and Industry, and focal point of the PCP Peru, Wilson Falen, sent a formal request to UNIDO to extend the PCP coordination mechanism for the year 2021. In light of the expansion of the Programme, the Government of Peru is planning to provide to the PCP with additional operational support. Furthermore, as the mobilization of resources in a middle-income country remains a challenge, the Minister of Production will be launching the Partner and Donor Working Group (PDWG), in the first quarter of 2021, to foster fundraising, investments and partnerships for industrial development programmes and the PCP.

Although the COVID-19 pandemic and the political challenges in Peru delayed some programmed activities, the PCP Contingency Plan acted as a strong mitigating factor, allowing the technical work to continue. Part of these contingency measures included strengthening the link between the Programme's middle management and technical focal points, which guaranteed the continuity of the technical work, despite changes at political levels. In November of this year, Francisco Sagasti, a consensus figure, took office as President of Peru.

2. INTRODUCTION

UNIDO's mandate for Inclusive and Sustainable Industrial Development (ISID) is anchored within the internationally agreed 2030 Agenda and the 2013 Lima Declaration. The Sustainable Development Goal (SDG) 9: "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation" is at the core of UNIDO's mandate and working agenda. Nevertheless, achieving ISID requires a broader range of resources than any individual entity can provide.

To this purpose, UNIDO embraced an innovative multi-stakeholder partnership model to promote inclusive and sustainable industrial development: The Programme for Country Partnership (PCP). Aligned with the national development agenda, the PCP supports Member States in achieving their industrial development goals through six key features: (i) host government ownership; (ii) a multi-stakeholder partnership; (iii) the mobilization and coordination of three streams of financial resources – development assistance, public finance and business sector investment – under the leadership of the host government; (iv) a strong analytical framework identifying the main opportunities and bottlenecks for advancing ISID, taking into account the existing national policy framework; (v) a selection of priority industrial sectors/areas; and (vi) programme-level impact.

Peru was selected as the pilot PCP country for the Latin America and Caribbean region. In December 2015, the Government of Peru and UNIDO began developing a holistic programme with the purpose to accelerate inclusive and sustainable industrialization in the country. The four components/priority areas identified for the PCP Peru, integrating ISID, the SDGs and the national priorities for 2016-2021, are as follows:

Component 1: Quality and innovation

Component 2: Value chain and enterprise development

Component 3: Sustainable industrial parks

Component 4: Industrial resource and energy efficiency, and renewable energy

Cross-cutting: Gender mainstreaming and policy advice.

The PCP's implementation phase started in April 2018 with several technical projects launched within the programme's four priority areas. Since the initiation of the programme, UNIDO has been providing technical assistance, policy advice and strategic guidance to Peru to reach its industrial development objectives.

The PCP Peru was developed to contribute to the country's main development policy framework 'Plan Bicentenario: El Perú hacia el 2021' (Plan 2021), a strategic plan that aims to drive Peru towards an inclusive, sustainable and planned development model. This plan, defined by the Central Planning Agency (CEPLAN), outlines the roadmap and objectives for 2021. It defines six strategic axes: (1) human rights and social inclusion; (2) opportunities and access to services; (3) state and governance; (4) economy, competitiveness and employment; (5) regional development and productive infrastructure; and (6) environment, biological diversity and disaster risk management. The 4th, 5th and 6th axes are the most relevant component the PCP Peru is contributing to.

In 2019, Peru's new strategy development plan, the "Política Nacional de Competitividad y Productividad" (PNCP) was enacted by Supreme Resolution. It is a multi-sectorial programme to "create the necessary conditions for the generation of well-being for all Peruvians". It comprises nine priority objectives and thirty-six policy guidelines. Priorities 6 (Developing a productive business environment) and 9 (Environmental sustainability) are the most relevant for the PCP. The National Strategy for the Development of Industrial Parks (ENDPI) and the National Round Map for Circular Economy, developed through PCP Peru support, were officially embedded in the PNCP (priority 6 and 9).

At the end of 2019, the programme coordination and governance were formalized through the creation of a Multisectoral Commission for the PCP Peru by Presidential Supreme Resolution¹. In 2019, the Director General of UNIDO also undertook a mission to Lima to meet with the Prime Minister, several Ministers and high-level representatives from the private and financial sector. On the occasion of his visit, the Director General received the highest government award (Grado Gran Cruz) in recognition of the "most distinguished services" provided by UNIDO to advance ISID in Peru and the achievements of the PCP Peru.

UNIDO, in cooperation with SNI and PRODUCE, organized the International Conference "Industrial Parks for Inclusive and Sustainable Industrial Development" in Lima. The Conference, held on 11 and 12 June, was inaugurated by the Director General LI Yong, H.E. Ms. Rocio Barrios, Minister of PRODUCE, and Mr. Ricardo Marquez, President of SNI. It brought together 800 participants from 30 countries in Africa, the Arab region, Asia, Europe and Latin America, and hosted 60 international and national panellists, including high-level representatives from the Governments of Peru, Argentina, Egypt, Ethiopia, and Indonesia. The Minister of PRODUCE participated also in the 18th session of the UNIDO General Conference, which was held under the theme "Industry 2030 – Innovate. Connect. Transform our Future" in Abu Dhabi, United Arab Emirates, from 3 to 7 November 2019.

Despite the impact of COVID-19 pandemic and institutional challenges which affected Peru, the year 2020 marked a new stage of enhanced cooperation with the Government of Peru. In June 2020, the PCP Peru, upon request of the Chair of the Multisectoral Commission, started the development of new technical assistance to support the implementation of the National Strategy for Circular Economy in Industry, the development of Science and Technology Parks, as well as fostering the aquaculture sector in Peru.

¹ Supreme Resolution No. 020-2019 – PRODUCE of 6 November 2019.

3. ALIGNMENT WITH AND CONTRIBUTION TO UNSDCF

UNIDO services within the framework of the PCP Peru contributed actively to the UN Country Team activities during the course of 2020. PCP Peru participated in the first phase of the Common Country Assessment (CCA), led by the Resident Coordinator's Office (RCO), for the new UN Sustainable Development Cooperation Framework (UNSDCF, 2022-2026) by providing various inputs and analyses aimed at ensuring that the needs of the industrial sector are reflected in the new Cooperation Framework. The inputs were submitted in close coordination with PRODUCE and carried out within the framework of the development of a new industrial policy.

In parallel, PCP Peru has been participating in the final phase of the reporting activities related to the ongoing UNDAF (2017-2021). The PCP contributes within the sub-product 1.1: "Government institutionalizes policies and programmes for inclusive green growth to ensure sustainable livelihoods and generate new jobs", of the product 1 "Public policies and programmes for inclusive green growth and GHG reduction adopted in accordance with national commitments and international agreements."; and sub-products 3.1 "Opportunities for access to decent work are generated for the most vulnerable populations" and 3.2 "Technical assistance is provided to the government to implement programmes and projects for productive, inclusive and sustainable development that incorporate the principles of decent work" of the product 3: "Regulatory framework, policies and programmes promote sustainable productive development and generate decent work opportunities, with emphasis on the most vulnerable populations".

All UN efforts related to the support for COVID-19 are coordinated through the RCO and UNCT. Under the leadership of the RCO in Peru and UNDP, a Working Group on the Socio-Economic Response and Recovery Plan to COVID-19 was established. UNIDO/PCP Peru has been participating in the exercise, whose objective is to assess the socio-economic impact of the pandemic in Peru. The socio-economic response and recuperation plan is under development. In addition, in August 2020, the PCP Peru, jointly with ILO and IFAD, developed and submitted a proposal for UN COVID-19 Multi-partner Trust Fund (MPTF). The proposal aimed at promoting "Socio-economic recovery with equity for young women in Peru", and is part of the MPTF COVID-19 pipeline catalogue distributed to the donor community by the UN Secretariat in the last quarter of 2020.

In coordination with the Peru 2021 initiative led by the private sector, UNIDO/PCP Peru jointly with UNDP and UNOPS, led a dialogue with private sector linked to industrialization component of SDG 9. Moreover, during 2020, the PCP team strengthened coordination and cooperation with UN WOMEN, FAO, IFAD and ILO. As a result, a joint proposal for the SDG Fund, aimed at fostering green financial facilities to strengthen the agro-value chains in the Amazon region, led by the UNIDO and FAO, with ILO, IFAD and RCO, was formulated and supported by the Resident Coordinator.

4. PROGRAMME-LEVEL RESULTS

4.1. COORDINATION AND GOVERNANCE

4.1.1 INTER-MINISTERIAL NATIONAL ADVISORY BOARD

The Multisectoral Commission established in 2019 by Presidential Supreme Resolution is the National Coordination body for the PCP. The purpose of this Commission is to follow up on and provide strategic guidance to the implementation of the PCP Peru, and the projects to be executed within the framework of this programme. It also ensures the alignment of projects to the country's priorities, towards a competitive, sustainable and inclusive industry.

In its meeting held on 28 November 2019, the Commission agreed to further enhance PCP coordination and decided that the PCP should be further aligned with the new government priorities highlighted in the National Plan of Competitiveness and Productivity (PNCP). A first proposal for the alignment of the PCP was elaborated during 2020 and sent to PRODUCE. The discussion on the methodology was undertaken with PRODUCE and the Ministry of Economy. Due to the COVID-19 pandemic crisis, further discussions on this issue will resume in 2021. The Semi-Annual Report of the PCP Peru was also sent to the Chair of the Commission. The Multisectoral Commission-related activities are expected to resume after the first meeting of the Partner and Donor Working Group (PDWG).

This Commission comprises the following ministries:

- Ministry of Production (chair) (PRODUCE)
- Ministry of Foreign Affairs
- Ministry of Foreign Trade and Tourism (MINCETUR)
- Ministry of Environment (MINAM)
- Ministry of Transport and Telecommunications (MTC)

4.1.2 PARTNER AND DONOR WORKING GROUP

The PDWG is part of the agreed institutional governance of the PCP Peru, and will serve as the main coordination mechanism for the Government of Peru, bilateral and multilateral partners, including financial institutions, and UNIDO, to foster resource mobilization and investments for the PCP.

4.1.3 UNIDO'S COORDINATION STRUCTURE

In April 2020, the leadership of the Programme moved to the UNIDO Representative's Office in Colombia, covering Peru, in line with the recommendations of the independent mid-term evaluation of UNIDO's PCP. The UNIDO Representative is supported by a PCP Team at Headquarters composed of staff from the different departments involved in implementation.

In addition, the UNIDO National PCP Coordination Office serves as a contact point between the technical heads of the different initiatives carried out within the framework of the PCP, particularly regarding exercises carried out at the programme-level, and the General Directorates and technical areas of the different Ministries involved in the activities of the PCP Peru, particularly PRODUCE. In particular, and in close coordination with the Vice-Ministry of Mype and Industry, the technical areas of PRODUCE that are in permanent contact with the PCP are: The General Directorate of Environmental Affairs for Industry; the General Directorate of Policy and Regulatory Analysis; the National Programme for Productive Diversification; and the Your Company Programme, among others.

In March 2020, the National PCP Coordination Office relocated to the Ministry of Production (PRODUCE). The new office space was provided as an in-kind contribution by PRODUCE. Previously (February 2019-February 2020), the PCP National Coordination Office was located at the premises of the National Association of Industries (SNI) and financed by the PCP coordination budget. In line with the expansion of the PCP interventions in 2020, discussions were also held with the Vice-Minister of MYPE and Industry to further extend the in-kind support to PCP operations (additional space and operational support).

4.2. PARTNERSHIPS AND RESOURCE MOBILIZATION

Partnership and resource mobilization activities intensified in 2020 in several areas. The Chair of the Commission (PRODUCE) advanced the process of formation of the PDWG, which will serve as the main coordination mechanism for the Government of Peru, bilateral and multilateral partners, including financial institutions, and UNIDO, to foster resource mobilization and investments for the PCP.

In 2020, PCP Peru undertook a comprehensive donor and partner mapping exercise aimed at profiling all international cooperation donors in Peru and identifying the ones whose strategies align to PCP priority areas. The first draft mapping was presented and discussed with the Multisectoral Commission Chair in June 2020, and an expanded version was also presented in the context of the preparations for the PDWG.

In June 2020, several planning and coordination meetings were held with the PCP's focal point in PRODUCE and the advisor to the Minister of Production, as well as with advisors and General Directors of the Vice-Minister's Office of SMEs and Industry. During this meeting, PRODUCE requested UNIDO's technical assistance in relation to seven new initiatives, predominantly around two important areas of work of PRODUCE: 1) the implementation of the Road Map towards a Circular Economy in Industry, 2) the implementation of the National Strategy for the Development of Industrial Parks.

The new initiatives proposed by PRODUCE were:

- **Project 1:** Strategy to promote industrial sectors with potential.
- **Project 2:** Support for the implementation of NDPS.
- **Project 3:** Project profile: Circular Economy in the ITP CITE network.
- **Project 4:** Strengthening of capacities and technical assistance to MSMEs through the application of methodologies that incorporate the concept of the circular economy in their industrial activities.
- **Project 5:** Baseline study to identify representative sectors of the manufacturing industry, and a study for the implementation of a distinctive sign of circular economy in products coming from the activities of the manufacturing industry.
- **Project 6:** Good practice guides on activities with a focus on circular economy and on the adequate management of industrial waste in manufacturing activities, and identification of actions to promote the use of waste materials, and encourage the use of usable waste in industrial manufacturing activities.

- **Project 7:** Promoting integrated value chain development in Peru's aquaculture.

The above initiatives were discussed with UNIDO's technical departments and were consolidated into three pipeline technical cooperation interventions: 1) Support the transition to circular economy of sectors prioritized in the manufacturing industry in Peru; 2) Implementation of a management system to promote the Circular Economy in the CITE network; and 3) Promoting integrated value chain development in Peru's aquaculture.

Resource mobilization for pipeline projects in the PCP portfolio also received further impulse, and a partnership proposal was discussed with Concytec, aimed at the initiative "Boosting Science and Technology Parks (STP) for an innovation-driven economy in Peru". The project on the development of eco-industrial parks in Peru began its implementation phase and materialized the contacts initiated in 2019, when UNIDO began to provide direct advice to PRODUCE for the development of a New Industrial Policy.

Several planning and coordination meetings were held with PCP's operative and technical focal points in preparation to the launching of the PDWG, the first meeting being scheduled for January 2021.

Quality and innovation

Activities related to quality improvement in the coffee and cocoa value chains are jointly managed with the National Institute for Quality (INACAL). Creating synergies with projects and initiatives from the regional government of San Martin (target region) and other partners working in the same value chains is a high priority.

For instance, links were established with other projects financed by the Swiss Cooperation in Peru as the SeCompetitivo programme, and in the cocoa and coffee value chains. In this second case, different cooperation and working relationships were established with projects that seek to support the same value chains as: the UNDP project "Green Commodities" which supports the implementation of the National Plan on Coffee where "Quality" is a Key pillar; the "Safe Cocoa Project", supported by the United States Department of Agriculture (USDA), the United States Agency for International Development (USAID) and the public-private "Alliance for Cocoa".

In alliance with CONCYTEC (National Science Council), a proposal regarding the development of Scientific and Technological Parks in Peru is under development. A concept note on the development of a project was prepared by UNIDO jointly with CONCYTEC, and a joint strategy for the mobilization of resources around this initiative is currently being prepared. In this regard, the Executive President of CONCYTEC sent a formal communication (22 June 2020) to the UNIDO Representative in Peru and the PCP Peru Programme Manager, communicating his intention to strengthen the ties of cooperation. A formal response was submitted to CONCYTEC to announce that the concept note was approved by UNIDO leading to the launch of the preparatory assistance phase.

For the further development of STI services in Peru, links with the EU delegation in Lima, World Group Bank, the Inter-American Development Bank (IaDB) and the Development Bank of Latin America (CAF) will be reinforced.

Value chain and enterprise development

The close cooperation of UNIDO, FAO and the International Fund for Agricultural Development (IFAD) led to the joint development of a USD 16 million project on the sustainable development of the Amazon. Partnerships were established with MINAM and the Ministry of Agriculture, as well as the National Development Bank (COFIDE), that seeks to provide specific credit lines for the project.

Sustainable industrial parks

This component has triggered partnerships and cooperation with more than 20 partners, including SNI, SECO, PRODUCE, MINAM, MTC (Ministry of Transport and Communications), universities and the private sector. A Public-Private Committee was established, under the leadership of PRODUCE, for the development of the National Strategy for Industrial Parks, and IaDB and WB have voiced interest in supporting its implementation.

The main PCP interventions in this area, the GEF-funded "Sustainable Industrial Zones Development in Peru" project and the SECO-funded initiative "Eco-Industrial Park Development in Peru", have frequent coordination activities, as well as exchange of information due to the similarity in matters of regulatory frameworks, financing possibilities for eco-efficient technologies and RECP methodology implementation for industries. Both interventions also contribute to the implementation of the National Roadmap Towards Circular Economy for the Industrial Sector.

Industrial resource and energy efficiency, and renewable energy

In 2019, multiple partnerships were initiated to foster the uptake of Circular Economy and to support the development of

the National Road Map for Circular Economy in the Industrial Sector. The latter was supported through workshops, validation events and studies undertaken in cooperation with MINAM, PRODUCE, SNI and the EU offices in Peru, and finally enacted in 2020.

A joint study was conducted with the Technological Institute of Production (ITP) on identifying the best way to introduce Circular Economy principles and practices in the Centers for Productive Innovation and Technology Transfer (CITEs) network. The outcomes of the study were consulted with diverse representatives from the public and private sector and triggered strong interest in joint follow-up activities. Follow-up activities are being held in order to launch the second phase of the study, and the PCP is fostering coordination between ITP and PRODUCE/DGAAMI, since this activity is closely linked to the implementation of the National Road Map for Circular Economy in the Industrial Sector.

Cross-cutting

Along with Cambodia, Senegal and South Africa, Peru benefits from the Global Programme on “Economic Empowerment of Women in Green Industry” (EEWiGI) funded by the Federal Ministry of Economic Cooperation and Development of Germany (BMZ). Implementation is currently ongoing in cooperation with UN Women. PRODUCE, MINAM and the Ministry of Women and Vulnerable Populations (MIMP) are the national counterparts.

As the EEWiGI is a transversal project, it has potential for synergies with all the projects and sub-programmes of the PCP. Synergies are planned particularly with the GQSP (Global Quality and Standards Programme), since coffee and cacao were one of the three intervention sectors selected by the EEWiGI. Coordination will enhance in 2021, when UN WOMEN trainings are scheduled to begin. Preliminary contacts and meetings have also been held with regard to the formulation of the New Industrial Development Policy.

4.3. RESULTS OF PCP ADVISORY SERVICES

National Strategy for Industrial Park Development

Supporting industrial parks development is a key element of PCP Peru and since its beginning, a number of detailed sector and regional analysis were elaborated to provide a basis for an informed governmental decision.

The “National Strategy for Industrial Parks Development” was included in the new National Plan of Competitiveness and Productivity, Policy Measure 6.3, Priority Objective 6. Its aim is to create productive and social infrastructure to stimulate productive growth and diversification. Under the lead of PRODUCE, a Public-Private Committee was established that elaborated, in close consultation with regional governments and UNIDO, “the National Strategy for Industrial Parks Development”. The Strategy was approved by presidential Decree². It should be noted that the Strategy, in its introductory section, specifically acknowledges the contribution of UNIDO’s PCP to its development. Moreover, at the specific request of the Government, the project on the “Development of Eco-Industrial Parks” has a component specifically aimed at the implementation of this public policy instrument.

The project “Sustainable Industrial Zones Development in Peru” has also developed inputs that guide the implementation of the “National Strategy for Industrial Park Development”, such as the Diagnosis and proposal for a regulatory framework for SIz, currently being developed (90% progress).

A validation workshop was held on 10 December, with 25 participants from the public and private sectors (MINAM, PRODUCE, MINCETUR, MEF, VIVIENDA, PCM, CCL, SNI) interested in contributing with their knowledge and experience to the proposals presented by the study. For the Peruvian Government, it is very relevant to have this study and space for discussion, as it serves as a guide for the development or adaptation of existing regulations for the planning of sustainable industrial zones in Peru.

National Circular Economy Road Map for Industry

During 2019, the development, consultation and validation process of the National Circular Economy for Industry Roadmap was supported by UNIDO. In four regions of the country (Arequipa, Tarapoto, Trujillo and Lima) workshops were organized for the public and private sectors. The National Circular Economy Road Map is included in the National Plan of Competitiveness and Productivity (Policy Measure 9.3, Priority Objective 9). The road map was approved by presidential Decree³.

Different PCP initiatives contribute to the aforementioned National Road Map, such as the GEF SIz Project, through the promotion of capacity-building in resource efficiency and cleaner production. Likewise, it promotes RECP methodology, providing technical assistance and co-financing for the conversion to efficient technologies for industries, contributing to the “productive component” of the circular economy concept.

² Supreme Decree No. 005-2020 – PRODUCE of 5 March 2020.

³ Supreme Decree No. 003-2020 – PRODUCE.

In addition, part of the recommendations from the study conducted in 2019, in close collaboration with ITP (National Productive Technology Institute) were adopted by the institute. The aim was to evaluate the best way of introducing Circular Economy principles and services into the Centers for Productive Innovation and Technology Transfer (CITE) network. The concept note for phase 2 is expected to be presented during the PDWG.

National Industrial Development Policy

Upon specific request of the Minister of PRODUCE, UNIDO initiated its support to the formulation of the new NIDP. A technical agreement was reached by UNIDO and PRODUCE to initiate this collaboration. The technical agreement was formalized between UNIDO and PRODUCE through a letter from the UNIDO Director General to the Minister of Production in June 2020. Since then, several working meetings and technical exchanges were held between the PRODUCE and UNIDO focal points to progress the development of the new policy.

Integration of gender and green industrial policies

In close cooperation with three ministries (PRODUCE, MINAM and MIMP), policymakers and practitioners are receiving advice on the establishment and implementation of a policy framework that integrates gender and green industrial policies. The aim is to affect change and empower more women to take a leadership role in green industries as entrepreneurs and industry professionals. This policy advisory services are provided as part of the national component of the Global Programme Economic Empowerment of Women in Green Industry (EWiGI), officially launched during the inception meeting in Vienna, in November 2019.

During 2020, the EEWiGI project elaborated a methodological proposal for the implementation of gender perspective mainstreaming in Policies and laws. It also had carried out an analysis/ assessment of the gender approach mainstreaming in 10 main policies related to green industry; including, among others, the Road Map on Circular Economy for Industry. EEWiGI also designed and prepared a capacity-building module for businesswomen in the green industry, which will be implemented during the first quarter of 2021. This has been closely coordinated with the Ministry of Women, especially with its centers for the economic empowerment of women in the regions, as well as its initiatives of women's networks.

Strengthening of national initiatives and enhancement of regional cooperation for the environmentally sound management of POPs in waste of electronic or electrical equipment in Latin American countries

Under this regional initiative, work is underway on a proposal for a complementary standard to DS 009-2019-MINAM approving the Special Regime for the Management and Handling of Waste Electrical and Electronic Equipment (WEEE), which will establish collection targets for WEEE for categories 5 (lighting) and 8 (medical equipment). This regime is in line with the principles of Circular Economy.

4.4. TECHNICAL COOPERATION RESULTS

The PCP Peru has four priority areas: (i) Quality and innovation; (ii) Value chains and enterprise development; (iii) Sustainable industrial parks and zones; and (iv) Industrial energy and resource efficiency, and renewable energy. Policy advice and gender mainstreaming are cross-cutting components. The PCP ensures that the various initiatives and projects within the prioritized areas are implemented in synergy and contribute to various national policy frameworks.

During 2020, the Government of Peru, particularly PRODUCE, requested UNIDO's support for a series of initiatives and new projects through the PCP Peru (see section 4.2), closely linked to the implementation of the Circular Economy Road Map for the Industrial Sector (contemplated as Policy Measure 9.3, Priority Objective 9 of the National Plan for Competitiveness and Productivity and approved by a presidential Decree), the National Strategy for the Development of Industrial Parks (also contemplated as Policy Measure 9.3, Priority Objective 9 of the National Plan of Competitiveness and Productivity and approved by Supreme Decree No. 005-2020-PRODUCE of 5 March 2020), the development of Science and Technology Parks in Peru (whose technical guidelines were approved by Presidential Resolution No. 216-2019-CONCYTEC-P), as well as the development of a new Industrial Policy for Peru.

Resource Mobilization Summary (USD)						
ERP ID	PCP Project	Committed Funds to PCP Projects (2017-2020)				
		UNIDO TC (Funding secured)	Parallel funding From public and private partners			
			In-kind	Public Investment	Loan	Grant
Priority Areas						
Quality and innovation						
180151	"Strengthening the coffee and cocoa quality for exports from Peru" (SECO)	\$2.375.160	\$162.689			
Sub-total		\$2.375.160	\$162.689			
Value chain and enterprise development						
190176	"Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change" (PA) (GEF)	\$93.311	\$72.684.889	\$50.144.676		\$172.171
190176	"Fostering regional coordination in aquaculture value chains for productive employment generation in Latin America and the Caribbean"	\$27.047				
Sub-total		\$120.358	\$72.684.889	\$50.144.676	\$285.171	\$172.171
Sustainable Industrial Parks						
150061	"Sustainable Industrial Zones Development in Perú" (GEF)	\$4.114.000	\$3.307.100	\$35.825.704	\$5.000.000	
180318	"Eco - Industrial Park Development in Perú" (SECO)	\$2.226.727	\$307.500			
Sub-total		\$6.340.727	\$3.614.600	\$35.825.704	\$5.000.000	
Industrial resource and energy efficiency, and renewable energy						
170099	"Mainstreaming of Energy and environmental dimension of PCP Peru" (Spain)	\$120.626				
130090	"Partnership for Action on Green Economy" (PAGE) (Multi-donor)	\$104.000	\$46.000			
140297	Strengthening of National Initiatives and Enhancement of Regional Cooperation for the Environmentally Sound Management of POPs in Waste of Electronic or Electrical Equipment (WEEE) in Latin American Countries (GEF)	\$636.852				
Sub-total		\$861.478	\$46.000			

ERP ID	PCP Project	Committed Funds to PCP Projects (2017-2020)				
		UNIDO TC (Funding secured)	Parallel funding From public and private partners			
			In-kind	Public Investment	Loan	Grant
Cross-cutting						
170065	"Economic empowerment of Women in Green Industry" (Germany)	\$293.558				
180059	ITPO Korea "Advisory Programme" (Republic of Korea)	\$125.455				
190065	ITPO Italy. "Fostering international partnership between companies and institutions operating in the energy and environment sectors" (Italy)	\$256.480				
150413	Programme for Country Partnership, Peru - Fostering Productive Diversification (PTF – China, Peru)	\$878.292	\$14.400		\$5.500.000	
Sub-total		\$1.553.785			\$5.500.000	
Total		\$ 11.251.508	\$76.522.578	\$85.970.380	\$10.500.000	\$172.171
			\$173.165.129			
			\$184.416.637			

4.4.1 PCP COMPONENT 1: QUALITY AND INNOVATION

This component aims to strengthen the national quality infrastructure in Peru and to promote innovation in industry. As such, the component entails capacity-building and the promotion of policies for national institutions. The project "Strengthening the coffee and cocoa quality for exports from Peru" started implementation of the main project phase in September 2019. In close consultation with INACAL, San Martín was selected as pilot region with the aim to replicate activities in other regions of the country. During 2020, the project inception report was prepared, and subsequently approved by the Project Steering Committee. Due to COVID-19, the project began the implementation process prioritizing the components 1 and 3 in which the coordination with national level entities was more feasible and with activities that could be implemented virtually, given the international and national travel prohibitions. The main activities conducted include:

- Establishment of the Project Management Unit in Lima.
- Definition of San Martín Region as the area of intervention.
- 2 studies to validate main gaps in the quality infrastructure for the coffee and cocoa value chains.
- 2 studies to analyze potential demand on quality services from the coffee and cocoa value chains in San Martín Region.
- Awareness-raising of interested parties to ensure their active participation in the project (INACAL, PROMPERÚ, SENASA, APPCACAO, ITP, INIA, DIGESA, JNC, Coffee and Cocoa Chamber, etc.).
- 6 webinars conducted on ISO standards in the context of COVID-19.
- 5 webinars conducted on Organic Agriculture of coffee and cocoa.
- 2 experts in coffee and cocoa value chain recruited to applied blockchain methodology.
- 6 experts in cocoa and coffee chain recruited to develop 14 application guides for Peruvian Technical Standards.
- Technical support to the Standardization Department of INACAL in the implementation of the GSP in Peru hired.
- Implementation of capacity-building for a group of technical experts, trainers and evaluators in the field of accreditation (ISO 17020, 17025 and 17065) hired.

KEY PERFORMANCE INDICATORS FOR QUALITY AND INNOVATION

INDICATORS	2020	CUMULATIVE
<p># of standards for coffee and cocoa sectors developed.</p> <p># of NQI staff (# of women) ISO 17025 certified.</p> <p># of (# of women led-) companies that have increased quality.</p> <p>CITES' clients satisfaction (survey); % increase of CITES' funding, profit, value addition and employment.</p> <p>Biosimilars' regulation approved, % in biosimilars production and evaluation.</p> <p># of jobs created.</p> <p># of investments leveraged through project interventions.</p> <p># of partnerships established within or through project interventions.</p>	<p>Institutions strengthened: Support to the Accreditation Directorate of INACAL (National quality institution):</p> <ul style="list-style-type: none"> - Trainings in ISO/IEC 17020 and 17065 interpretation and auditor training. - Advice and training in the application of the Flexible Scope of Accreditation - Evaluation and Action Plan of improvements on the degree of implementation of Good Standardization Practices (GSP) in INACAL. <p>Value chain support:</p> <ul style="list-style-type: none"> - 2 studies on the potential demand for quality services in the coffee and cocoa chains in the San Martín region. - Diagnosis of the capacities in compliance with quality standards of 9 selected cooperatives in the San Martín Region (In process). - Avantia was hired to evaluate 17 laboratories and identify gaps to meet the requirements for international accreditation 17025. <p>6 Web seminars on ISO Standards in the context of COVID-19. 5 Web seminars on "Organic Certification of Coffee and Cocoa in Peru".</p>	<p>Institutions strengthened: Support to the Accreditation Directorate of INACAL (National quality institution):</p> <ul style="list-style-type: none"> - Trainings in ISO/IEC 17020 and 17065 interpretation and auditor training. - Advice and training in the application of the Flexible Scope of Accreditation. - Evaluation and Action Plan of improvements on the degree of implementation of Good Standardization Practices (GSP) in INACAL. <p>Value chain support:</p> <ul style="list-style-type: none"> - 2 studies on the potential demand for quality services in the coffee and cocoa chains in the San Martín region. - Diagnosis of the capacities in compliance with quality standards of 9 selected cooperatives in the San Martín Region (In process). - Avantia was hired to evaluate 17 laboratories and identify gaps to meet the requirements for international accreditation 17025. <p>6 Web seminars on ISO Standards in the context of COVID-19. 5 Web seminars on "Organic Certification of Coffee and Cocoa in Peru".</p> <p>Amount of investment leveraged for the CITES through project intervention: USD 5.5 million.</p>

Funding

ERP ID	Ongoing project / sub-programme title	Donor	Funding (US\$)
180151	GQSP - Strengthening the coffee and cocoa quality for exports from Peru	Switzerland (SECO)	2.375.160
Total			US\$ 2.375.160

ERP ID	Pipeline project / sub-programme title	Potential Donor	Estimated Funding (US\$)
200287	Boosting Science and Technology Parks for an innovation-driven economy in Peru.	TBD	467.725

4.4.2 PCP COMPONENT 2: VALUE CHAIN AND ENTERPRISE DEVELOPMENT

This component aims to strengthen the performance of targeted value chains and to create well performing supply chains in order to facilitate access to new markets and create employment. It also entails technical cooperation on entrepreneurship development, cluster and network creation.

The project “Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses in a context of climate change” represents an innovative and collaborative approach to the sustainable development of the Amazon. In cooperation with FAO and IFAD, UNIDO supports sustainable production practices for enhancing the value of biodiversity products. Innovative economic models and commercial strategies will be developed, applied and promoted for products derived from the sustainable use of forests. These products have added value and will be integrated into value chains, have access to markets with high quality and sustainability criteria and generate socio-economic and environmental benefits for local populations.

In June 2019, the GEF Council approved the project proposal submitted by UNIDO-FAO-IFAD. USD 93,000 were allocated to UNIDO for the elaboration of the main project document. During the preparatory phase, the following activities were undertaken in close cooperation with the government counterparts: Value chain and baseline analysis; gender assessment; environmental and social management plan (jointly with FAO and IFAD); institutional assessment; development of alliances with other partners and programmes in the form of co-financing.

The preparation phase was completed in April 2020. The project document was subsequently submitted to GEF for review. Final approval is expected in March 2021. The expected total funds of the project amount to USD 15,599,083 million, out of which USD 5,629,505 million will be allocated to UNIDO for technical assistance. The project will be jointly implemented by FAO, IFAD and UNIDO. This project is aligned with objective 9.7 of the new PNCP “Instruments for sustainable management and valorization of natural resources and eco-system services”.

Project: Strengthening quality for Peru's coffee and cocoa exports

Validation workshop in Moyobamba, February 2020



KEY PERFORMANCE INDICATORS FOR VALUE CHAIN AND ENTERPRISE DEVELOPMENT

INDICATORS	2020	CUMULATIVE
<p>% Increase in production, productivity, marketing and sales in aquaculture sector.</p> <p>% increase in value addition of biodiversity products.</p> <p>% of women participation in production, marketing and sales in aquaculture and biodiversity sectors.</p> <p>Entrepreneurship curriculum developed and accepted in education system.</p> <p>% of women participation in RECP trainings.</p> <p># of jobs created.</p> <p># of partnership platforms established within or through project interventions.</p>	<p>Capacity assessments: 1 evaluation of institutional capacities for project implementation.</p>	<p>4 specialized studies for value chain development:</p> <ul style="list-style-type: none"> • Opportunities for bio-businesses. • Evaluation of value chains for Amazonian products. • Gender diagnosis. • Study of international markets. <p>Capacity assessments: Evaluation of institutional capacities for project implementation.</p>

Funding

ERP ID	Ongoing project / sub-programme title	Donor	Funding (US\$)
190176	PA Phase - Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change	GEF	93.311
190371	Fostering regional coordination in aquaculture value chains for productive employment generation in Latin America and the Caribbean	Trust Fund for Latin America and the Caribbean	27.047
Total		US\$ 120.358	

ERP ID	Pipeline project / sub-programme title	Potential Donor	Estimated Funding (US\$)
190176	Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change	GEF	5.164.683
170233	Promoting integrated value chain development in Peru's aquaculture	TBD	1.770.000
		Sub-total:	6.934.683

4.4.3 PCP COMPONENT 3: SUSTAINABLE INDUSTRIAL PARKS

Projects under this component are closely linked to the National Strategy for Industrial Parks Development in Peru (see section 4.3). The project “Sustainable Industrial Zone (SIZ) Development in Peru” aims to promote the diffusion of clean technologies to reduce emissions of unintentional persistent organic pollutants (POPs) and greenhouse gases (GHGs). Key elements of the project are: (a) the improvement of regulatory mechanisms for the development of sustainable industrial zones in Peru, including industrial parks; and (b) the implementation of, at least, one pilot project in Callao, the largest industrial zone of Peru. With this, it is envisaged to develop a model sustainable industrial zone that could be replicated in other industrial zones of the country and in cooperation with other partners and financial institutions. Project implementation was re-initiated following the signing, in 2019, of the implementation agreement by the Minister of PRODUCE and the UNIDO Director General at UNIDO’s General Conference in Abu Dhabi in November. In cooperation with PRODUCE and MINAM, an Executive Unit was established and operational, and several studies and activities were carried out in 2020:

- Diagnosis and proposal of the regulatory framework for SIZ (90% progress), with a proposal validation workshop with 25 participants from the public and private sectors interested in contributing with their knowledge and experience to the proposals presented by the study. Design and presentation of the financial and non-financial mechanisms for SIZ development (70% progress), study that presents funds available at the national and international level for green financing, as well as the incentives provided by the Government for investments in eco-efficient technologies. It is also expected to obtain recommendations on proposals that promote these mechanisms and incentives for SIZ. Study in strategic communication for SIZ was developed, obtaining the visual identity guide for the project and the implementation plan of the communication strategy of the SIZ project.
- Stakeholder engagement for the project (completed 100%), which resulted in the re-launching event for the SIZ Project with 100 participants from public, private and academic sectors. Baseline update for Callao Industries (50% progress). Both activities were fundamental to approach Callao companies, which are potentially beneficiaries from the project, reaching 94 industrial companies in Callao, virtual meetings held with 58 of them and 33 letters of interest to participate in the project have been signed.
- Two meetings of the Project Steering Committee were held in 2020. A training course on “Voluntary Cleaner Production Agreements (APL +)” was carried out successfully with 18 participants from the public and private sectors. “Sound chemical management training” carried out with 32 participants from the public, private and academic sectors. Training in “Resource Efficiency and Cleaner Production (RECP)” is being currently carried out with 21 participants from academia and research centers.
- Due to COVID 19, the training courses and meetings were carried out online to comply with the social distancing recommendations provided by Peruvian Government.

Regarding the national component of the “Global Eco-industrial Parks Programme (GEIPP) in developing and transition countries – Component Peru”, aimed at demonstrating the viability and benefits of Eco-Industrial Park approaches in scaling-up resource productivity and improving economic, environmental and social performances of businesses, demonstration projects will be carried out in three existing industrial parks.

The Eco-Industrial Park Development project document was signed in August 2020, officially commencing the project’s implementation phase. Activities conducted in 2020 include: i) Recruitment of the new National Coordinator; ii) Update of the Project Work Plan; iii) The project governance and operations manual as well as the Rules of the Steering Committee were circulated among the project partners. The first three documents are expected to be approved during the first Steering Committee to be organized in December; iv) Evaluation of tenders and bidders, jointly with PRODUCE.

Launching ceremony of the Eco-Industrial Parks Project, 24 September 2020

From left to right: Former Minister of Production José Salardi, the UNIDO PCP Peru National Coordinator César Llona and the Swiss Ambassador, Marcus-Alexander Antonietti



KEY PERFORMANCE INDICATORS FOR SUSTAINABLE INDUSTRIAL PARKS

INDICATORS	2020	CUMULATIVE
<p># of policy proposals developed for SIZ in Callao.</p> <p># of women active in SIZ.</p> <p>Development and approval of Strategic plan and ToR for SIP in Ancon.</p> <p>Successful replication of SIZ model of Callao in two regions of Peru.</p> <p>Development and approval of national policy for industrial parks.</p> <p># of jobs created.</p> <p># of partnership platforms established within or through project interventions.</p>	<p>Policy proposals:</p> <ul style="list-style-type: none"> - Development and approval of national policy for industrial parks. <p>Studies for policy proposals:</p> <ul style="list-style-type: none"> - Baseline study on “national strategy for industrial zones and parks development”. - Concept paper on sustainable industrial zones in Peru. - Assessment and development of the sustainable industry zones regulatory framework (in progress). <p>Design of financial and non-financial mechanisms and incentives for cleaner production for SIZ (in progress).</p> <p>Capacity-building:</p> <p>Regulatory framework workshop (9 institutions participating).</p> <p>Cleaner Production agreements (50% woman), Sound chemicals management (44% woman), RECP training (29% woman).</p> <p>Support to companies:</p> <ul style="list-style-type: none"> - Baseline Study of emissions of u-POPs in the industrial zone developed. - Baseline update study in progress 60% - 99 companies have been identified and contacted. Meetings with 60 of them and 34 letters of intent have been signed. 	<p>Policy proposals:</p> <ul style="list-style-type: none"> - Development and approval of national policy for industrial parks. <p>Studies for policy proposals:</p> <ul style="list-style-type: none"> - Baseline study on “national strategy for industrial zones and parks development”. - Concept paper on sustainable industrial zones in Peru. - "Assessment and development of the sustainable industry zones regulatory framework" (in progress). <p>Design of financial and non-financial mechanisms and incentives for cleaner production for SIZ (in progress).</p> <p>Capacity-building:</p> <p>Regulatory framework workshop (9 institutions participating).</p> <p>Cleaner Production agreements (50% woman), Sound chemicals management (44% woman), RECP training (29% woman).</p> <p>Support to companies:</p> <ul style="list-style-type: none"> - Baseline Study of emissions of u-POPs in the industrial zone developed. - Baseline update study (in progress). - 99 companies have been identified and contacted. Meetings with 60 of them and 34 letters of intent have been signed. <p>Creation of 1 partnership platform:</p> <p>Industrial Park Committee in National Association of Industries (SNI) (2019).</p> <p>International Conference "Industrial Parks for Inclusive and Sustainable Industrial Development" (2019).</p>

Funding

ERP ID	Ongoing project / sub-programme title	Donor	Funding (US\$)
150061	Sustainable Industrial Zone Development in Peru	GEF	4.114.000
180318	Global Eco-Industrial Parks Programme - Peru: Country Level Intervention	SECO	2.226.727
Total		US\$ 6.340.727	

4.4.4 PCP COMPONENT 4: INDUSTRIAL RESOURCE AND ENERGY EFFICIENCY, AND RENEWABLE ENERGY

During 2019, and in close cooperation with ITP, the study "Assessment of the needs and capacities in Circular Economy of the innovation services of the CITE Network in Peru to determine how best to integrate the theme into the Network" was conducted. For this purpose, the expert teams visited selected CITE in six regions and organized two workshops with 101 participants in total (54% women and 46% men). The results of the study were presented to the directives of ITP, PRODUCE and the CITE network and triggered high interest in a follow-up phase of the project. A detailed concept note regarding the follow-up phase was developed in 2020, aiming at the implementation of the findings of the aforementioned study.

The ongoing project on the strengthening of national initiatives and enhancement of regional cooperation for the environmentally sound management of POPs in waste of electronic or electrical equipment (WEEE) in Latin American countries, focused on the development of technical instruments in 2020, such as guidelines and strategies to strengthen the capacities of the various actors involved in the management of WEEE.

Due to the COVID-19 context, virtual activities were implemented: 16 webinars were organized with the participation of 1,433 people (758 women and 675 men).



KEY PERFORMANCE INDICATORS FOR INDUSTRIAL RESOURCE AND ENERGY EFFICIENCY, AND RENEWABLE ENERGY

INDICATORS	2020	CUMULATIVE
<p>% of water, CO₂, energy and material reduction in companies.</p> <p>% increase in environmentally (# women led) compliant companies.</p> <p># of EVs operational and # of people (# women) trained on EVs.</p> <p>% uptake of sustainable energy solutions by industries.</p> <p># of investments leveraged through project interventions.</p> <p># of partnerships established within or through project interventions.</p>	<p>Road Map for Circular Economy supported and adopted.</p> <p>Training for policymakers on Circular Economy.</p> <p>Guidelines for the Management and Handling of Waste. Electrical and Electronic Equipment (WEEE).</p> <p>Update of SIGERSOL (Solid Waste Information System).</p> <p>Preliminary assessment to 5 WEEE operators.</p> <p>Creation of the "Support Group for the management and handling of WEEE".</p>	<p>Road Map for Circular Economy supported and adopted.</p> <p>Potential for the green industry in Peru (2018).</p> <p>Capacity-building: Workshops (2) for policymakers (50) in resource efficiency for Tannery. Regional Forum on Circular Economy for policymakers (50) on energy management systems (2018). 11 virtual training events on WEEE (1,433 people).</p> <p>Institutions strengthened: Centers of Innovation and Technology Transfers (ITP-Red CITEs). - Evaluation of the needs and capacities of Circular Economy and Innovation in the CITE. Network: Participation of 6 prioritized CITE Centers (public and private) from four different value chains and regions: Productive - Madre de Dios/ Fisheries - Callao / Leather and Footwear Trujillo, Oxapampa/ Agro-industry: Majes, Ica, Ambo, Oxapampa - Report examine of the feasibility of creating a new independent public or private CITE in order to move towards the integration of Circular Economy into the network or whether it was better to integrate the concept through mainstreaming of the elements of Circular Economy into the existing CITE Network/existing department of PRO-DUCE. - Events: 1 Overall number of policy makers sensitized/ trained/Awareness-raising: 40 in resource efficiency. - Events: 2 Overall number of policy makers sensitized/ trained/awareness-raising: 101 on energy management systems. 11 virtual training events (1,433 people) on WEEE.</p>

Funding

ERP ID	Completed project / sub-programme title (since start of the PCP)	Donor	Funding (US\$) (secured)
170099	Mainstreaming of Energy and environmental dimension of PCP Peru	GEF	120.626
130090	PAGE - Partnership for Action on Green Economy	PAGE Trust Fund	104.000
Sub-total:			224.626

ERP ID	Pipeline project / sub-programme title	Potential Donor	Estimated Funding (US\$)
140297	Strengthening of National Initiatives and Enhancement of Regional Cooperation for the Environmentally Sound Management of POPs in Waste of Electronic or Electrical Equipment (WEEE) in Latin American Countries	GEF	636.852
Total		US\$ 636.852	

4.4.5 OVERVIEW OF CROSS-CUTTING INTERVENTIONS

The project “*Economic Empowerment of Women in Green Industry*” (EEWiGI) is part of a global programme, and is being implemented in Peru in close cooperation with focal points from three ministries: PRODUCE, MINAM and the Ministry of Women. The main results include: capacity- building for businesswomen in the green industry module designed; capacity-building for policymakers in the green industry module designed; methodology proposal for the implementation of gender perspective mainstreaming policies related to green industry; analysis/ assessment of the mainstreaming of the gender approach in 10 main policies related to green industry, including, among others, the Road Map on Circular Economy for Industry.

Another cross-cutting intervention is the ITPO Korea Advisory Programme for Investment Promotion and Technology Transfer in Developing Countries - Component Peru. The project is aligned with the development priorities, strategies and action plans of the Government of the Republic of Korea and the Government of Peru. The main objective is to enhance business cooperation of SMEs in both countries by facilitating access to information and business contacts. In line with the advisory programme goals, assistance was provided to Korean companies with a presence in Peru, as well as to Peruvian companies interested in entering the Korean market.

ITPO Korea, through the Advisory Programme in Peru, in coordination with Promperu, co-organized a webinar in September 2020 on the opportunities for natural ingredients in the Korean cosmetic industry, with the participation of a Korean expert in the Cosmetic Industry. The event targeted micro and small enterprises in Peru that produce and supply ingredients for the cosmetic industry, but also for any general audience interested to learn about the Korean cosmetic industry for any potential business venture. A total of 197 participants joined the event, and 72% of them declared to have obtained new knowledge as a result of it. In addition, in close cooperation with Concytec, the Advisory Programme co-organized, along with other entities, the Innovation Week 2020. The online event took place in September 2020.

KEY PERFORMANCE INDICATORS FOR CROSS-CUTTING INTERVENTIONS

INDICATORS	2020	CUMULATIVE
<p># of PCP projects funded and implemented.</p> <p>Project progress reports finalized and delivered to relevant stakeholders.</p> <p># of national workshops held.</p> <p># of reports developed for national industrial policy.</p> <p># of institutions and private sector entities that use policy framework that integrates gender- and green industrial policies developed.</p> <p># of investments leveraged through project interventions.</p> <p># of partnerships established within or through project interventions.</p>	<p>1 PCP project funded and implemented.</p> <p>National assessments: Degree of gender mainstreaming in green industry policy frameworks with 10 policy priorities identified.</p> <p>Support to the development of the New Industrial Policy (in progress).</p>	<p>12 PCP projects funded and implemented.</p> <p>National assessments: Degree of gender mainstreaming in green industry policy frameworks with 10 policy priorities identified.</p> <p>Support to the development of the New Industrial Policy (in progress).</p>

Funding

ERP ID	Ongoing project / sub-programme title	Donor	Funding (US\$)
170065	Economic empowerment of Women in Green Industry	Germany	293.558
180059	ITPO Korea "Advisory Programme"	Republic of Korea (KOICA)	125.455
190065	ITPO Italy. "Fostering international partnership between companies and institutions operating in the energy and environment sectors"	Italy	256.480
150413	Programme for Country Partnership, Peru - Fostering Productive Diversification	Partnership Trust Fund – China, Peru	878.292
Total			US\$ 1.553.785

5. RESPONSE TO COVID-19

UN efforts related to supporting the Government of Peru in the context of COVID-19 are coordinated through the RCO and UNCT (see section 3). A Working Group on the Socio-Economic Response to COVID-19 was established, and UNIDO/PCP Peru has been participating in the assessment of the socio-economic impacts of the pandemic in Peru. The UN's Socio-economic Response and Recovery Plan is under development, with the participation of UNIDO through its PCP office.

PCP Peru, as well as the projects under its scope, prepared detailed contingency plans in order to minimize the impact of the COVID-19 pandemic on the continuity of operations. UNIDO will continue to participate actively in UNCT activities in Peru. This will provide opportunities to foster synergies with other agencies, as well as contribute to the ongoing exercise for the formulation of UN's Socio-economic Response Plan for COVID-19, and the different inter-agency calls that may arise. The PCP's main TC interventions will contribute, through the alignment of activities, to the implementation of the response plan.

In addition, a proposal on promoting "Socio-economic recovery with equity for young women in Peru" was jointly developed with RCO, together with ILO and UNDP, for the UN's MPTF COVID-19, and is part of the pipeline catalogue for future MPTF COVID-19.

6. LESSONS LEARNED AND BEST PRACTICES

Despite changes of high-level public officials and counterparts in the country in 2020, PCP Peru advanced continuously, building on the close cooperation established with national technical counterparts. In particular, the role of the local PCP Coordination Office was critical to support daily engagement with the newly appointed authorities, and to swiftly respond to requests and new priorities arising.

The mobilization of resources in a middle-income country, such as Peru, remains a challenge. To this end, the forthcoming PDWG will be vital for fostering fundraising, investments and partnerships for industrial development programmes and the PCP.

The joint work of UNIDO/PCP Peru with the United Nations Country Team, as well as the consolidation of alliances with the specialized agencies of the United Nations system, is an important opportunity to strengthen UNIDO's contribution and seek new channels for resource mobilization. This enhanced collaboration is exemplified through two inter-agency proposals in the framework of calls for competitive funds within the system, as well as the incorporation of UNIDO's work in the system's strategic response exercises to the pandemic.

7. COMMUNICATION

The objectives of the communication strategy for the PCP Peru include:

- To engage with key actors in Peru so as to enhance the impact of the PCP Peru interventions and integrate the principles of ISID into policy and planning;
- To identify and build synergies to enhance the impact of technical cooperation activities;
- To bring diverse partners together in the Partner and Donor Working Group and National Advisory Board to promote and support industrial development initiatives;
- To engage donors and financial institutions so as to mobilize partners and resources for ISID;
- To engage partners and the general public in major events, such as forums, conferences and expert meetings, in order to exchange knowledge, forge partnerships and shape strategies for advancing ISID.
- Its target audience is composed mainly of:
 - PCP Peru partners (public and private), including high-level representatives from public and private institutions, engaged in the promotion and implementation of industrial development initiatives;
 - Donors and financial institutions, i.e. all the institutions providing resources, information and expertise for technical cooperation projects;
 - The general public;
 - The Member States;
 - The internal UNIDO staff.

Diverse activities were undertaken to create effective communication campaigns to promote the PCP Peru's achievements, such as: the organization of individual, high-level meetings with PCP partners to guide the strategic direction of the PCP; joint workshops, trainings and high-level events on industrial development topics; as well as participation of UNIDO's experts and PCP team members as key note speakers and/or panellists in events at the national and regional level.

8. UPCOMING MILESTONES AND MAJOR RESULTS EXPECTED IN 2021

Programme-level:

- Align the PCP Peru with the new National Plan of Competitiveness and Productivity.
- Complete the four concept notes for the prioritized initiatives by the Government of Peru; to be jointly presented by UNIDO and PRODUCE at the occasion of the first meeting of the PDWG. These initiatives cover key PCP areas of intervention, such as the implementation of the National Road Map for Circular Economy in industry and the follow-up project for the introduction of Circular Economy principles and practices into the CITE Network.
- Support the Government in holding the first meeting the PDWG to facilitate fundraising and partnerships, and continue resource mobilization and partnership support for PCP pipeline projects.
- Continue to provide assistance for the implementation of the National Strategy for Industrial Park Development and the National Roadmap for Circular Economy in Industry.
- Continue providing advisory support related to the development of the new National Industrial Policy.
- Further strengthen PCP contributions to the work of the UNCT, including through formulation of joint initiatives with other agencies of the UN development system.

Component 1: Quality and innovation

- Achieve agreements with other beneficiary public and private entities and/or related to the project.
- Implementation of the budgeted Action Plan for INACAL to provide accreditation services in the indicated ISO (ISO 17020, ISO 17021, ISO 17025, ISO 17065, among others).
- Implementation of the Metrology Strengthening Work Plan.
- Implementation of the recommendations from the ISO "Good Standardization Practices".
- Work plans prepared for the beneficiary laboratories participating in the project.
- Action Plans prepared with cooperatives in San Martín.
- Implementation of the SMEs training programme.
- Implementation of training in physical analysis on the quality of coffee and cocoa.
- Implementation of training for coffee, cocoa and chocolate tasters.
- Continue with the preparatory assistance phase for the joint initiative with Concytec, regarding the elaboration of a set of guidelines for the development of Science and Technology Parks.

Component 2: Value chain and enterprise development

- Start the implementation of the project “Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses in a context of climate change”.

Component 3: Sustainable industrial parks

- Under the GEF-funded SIZ project, the expected milestones towards the generation of a model for sustainable industrial zones include: the preparation of a road map for SIZ; the strengthening of the Ministry of Production's environmental information system; and the completion of RECP consultant training; the pre-selection of companies in which the RECP evaluations will be carried out to identify investment options in cleaner and low carbon technologies, among others.
- Provide specific technical assistance to two industrial parks and one additional industrial park or zone.

Component 4: Industrial resource and energy efficiency, and renewable energy

- Commence phase 2 of the project “Assessment of the needs and capacities in Circular Economy of the innovation services of the CITE Network in Peru to determine how best to integrate the theme into the Network”.

Cross-cutting

- Mainstream the gender approach in three policies prioritized by the focal points and the committee.
- Subpublication of the Country Report of the EEWiGI project (Methodology and assessment/analysis of ten policies), and coordinate with UN Women on the training courses for incorporating the gender perspective at the ministerial and government level, as well as with businesswomen in the green industry.
- Under the ITPO Korea Advisory Programme, it is expected to continue the collaboration with PromPeru, Concytec, and Innovate Peru, and to explore potential activities with other government entities of interest.
- Elaborate a monthly “COVID-19 Response in Peru: Economic Policy and Enabling Environment” report for potential investors from the Republic Korea.
- Continue to foster matchmaking between Korean and Peruvian companies.



9. ANNEX 1: PCP PORTFOLIO OVERVIEW - UNIDO TC

ERP ID	PCP component or cross-cutting area	Completed project / sub-programme title (since start of the PCP)	Donor	Funding (US\$) (secured)
170099	Industrial Resource and Energy efficiency, and Renewable Energy	Mainstreaming of Energy and environmental dimension of PCP Peru	GEF	120.626
130090	Industrial Resource and Energy efficiency, and Renewable Energy	PAGE - Partnership for Action on Green Economy	PAGE Trust Fund	104.000
Sub-total:				224.626

ERP ID	PCP component or cross-cutting area	Ongoing project / sub-programme title	Donor	Funding (US\$)
180151	Quality and Innovation	GQSP - Strengthening the coffee and cocoa quality for exports from Peru	Switzerland (SECO)	2.375.160
190176	Value Chain and Enterprise Development	Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change	GEF	93.311
190371	Value Chain and Enterprise Development	Fostering regional coordination in aquaculture value chains for productive employment generation in Latin America and the Caribbean	Trust Fund for Latin America and the Caribbean	27.047
150061	Sustainable Industrial Parks	Sustainable Industrial Zone Development in Peru	GEF	4.114.000
180318	Sustainable Industrial Parks	Global Eco-Industrial Parks Programme - Peru: Country Level Intervention	Switzerland (SECO)	2.226.727
140297	Industrial Resource and Energy efficiency, and Renewable Energy	Strengthening of National Initiatives and Enhancement of Regional Cooperation for the Environmentally Sound Management of POPs in Waste of Electronic or Electrical Equipment (WEEE) in Latin American Countries	GEF	636.852
170065	Cross-cutting	Economic empowerment of Women in Green Industry	Germany	293.558
180059	Cross-cutting	ITPO Korea "Advisory Programme"	Republic of Korea (KOICA)	125.455
190065	Cross-cutting	ITPO Italy. "Fostering international partnership between companies and institutions operating in the energy and environment sectors"	Italy	256.480
150413	Cross-cutting	Programme for Country Partnership, Peru - Fostering Productive Diversification	Partnership Trust Fund – China, Peru	878.292
Sub-total:				11.026.882
Total			US\$ 1.553.785	

ERP ID	PCP component or cross-cutting area	Pipeline project / sub-programme title	Potential Donor	Funding (US\$)
200287	Quality and Innovation	Boosting Science and Technology Parks for an innovation-driven economy in Peru	TBD	467.725
190176	Value Chain and Enterprise Development	Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change	GEF	5.164.683
170233	Value Chain and Enterprise Development	Promoting integrated value chain development in Peru's aquaculture	TBD	1.770.000
			Sub-total:	7.402.408

10. ANNEX 2: INVESTMENTS LEVERAGED BY THE PCP

Parallel Funding (US\$)							
PCP Project	Partner	Type of Partner	Type of funding	2018	2019	2020	Cumulative
"Strengthening the coffee and cocoa quality for exports from Peru" Priority area: Quality and innovation	INACAL	National Financing Institutions	In-kind		162.689		162.689
"Building human well-being and resilience in Amazonian forests by enhancing the value of biodiversity for food security and bio-businesses, in a context of climate change" Priority area: Value chain and enterprise development	Ministry of Production	Government of Peru	In-kind			2.047.103	2.325.735
			Public Investment			278.632	
	Ministry of Environment	Government of Peru	In-kind			52.986.100	52.986.100
	Ministry of Agriculture	Government of Peru	Public Investment			3.555.829	3.844.624
			In-kind			288.795	
	Ministry of Foreign Trade and Tourism	Government of Peru	In-kind			910.813	910.813
	Local Governments (GORE Ucayali, Loreto, Junín)	Local Government	Public Investment			46.310.215	59.488.76
			In-kind			13.178.546	
	Business and industry associations	Local institution	In-kind			370.992	370.992
	Private sector	Local private sector	In-kind			2.200.000	2.200.000
	FAO	Implementing agency	Grant				172.171
In-kind						702.540	
In-kind						846.000	

PCP Project	Partner	Type of Partner	Type of funding	2018	2019	2020	Cumulative
"Sustainable Industrial Zones Development in Perú" Priority area: Sustainable industrial parks	Ministry of Production	Government of Peru	In-kind	1.014.000			1.014.000
	Ministry of Environment	Government of Peru	In-kind	510.000			510.000
	Ministry of Transport and Communication	Government of Peru	Public Investment	35.825.704			35.825.704
	Private sector	Local Private sector	Public Investment	1.437.500			1.437.500
	Industrial association	Local institution	In-kind	345.600			345.600
	State Secretariat for Economic Affairs	Swiss Government	Loan	5.000.000			5.000.000
"Eco - Industrial Park Development in Perú" Priority area: Sustainable industrial parks	Ministry of Production	Government of Peru	In-kind		60.000		60.000
	Industrial association	Local institution	In-kind		247.500		247.500
"Partnership for Action on Green Economy" (PAGE) Priority area: Industrial resource and energy efficiency, and renewable energy	Ministry of Environment	Government of Peru	In-kind		24.000		24.000
	Ministry of Production	Government of Peru	In-kind		22.000		22.000
Programme for Country Partnership, Peru - Fostering Productive Diversification Priority area: Cross-cutting	IaDB	International Financing Institutions (IFI)	Loan	5.500.000			5.500.000
	Ministry of Production	Government of Peru	In-kind			14.400	14.400

Total (US\$)	49.632.804	516.189	123.016.136	173.165.129
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For more information, please scan the QR Code to
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