



2017
Project Implementation Review (PIR)

NAMA Peru



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A. Basic Data

Project Information	
UNDP PIMS ID	4679
GEF ID	4884
Title	Nationally Appropriate Mitigation Actions in the Energy Sector in Peru
Country(ies)	Peru, Peru
UNDP-GEF Technical Team	Energy, Infrastructure, Transport and Technology
Project Implementing Partner	Government
Joint Agencies	
Project Type	Full Size

Project Description

The GEF project will strengthen the capacity of the Peruvian government to identify and structure NAMAs in the energy sector, namely to create incentive for investment in new renewable energy facilities connected to the grid (solar, wind, biomass, geothermal and hydro under 20 MW), and the use of renewable energy in isolated systems (solar, biomass, wind and micro-hydro). The project will build upon existing and planned energy sector mitigation efforts, national development policies, and the national NAMA development and implementation framework. The project will establish priorities within the energy sector, define specific NAMAs with clear and achievable mitigation results, and pilot the implementation of four NAMAs in renewable energy generation, both on and off grid. The project will contribute to the country's attainment of its voluntary mitigation targets in the energy sector, with an expected direct emission reduction of 962,000 tons of CO₂ equivalent and an additional indirect emission reduction of 1,600,000 million tons of CO₂e. As a positive side effect, NAMAs will generate national benefits related to national economic growth, poverty reduction, competitiveness and energy security.

Project Contacts

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Other Partners	

B. Overall Ratings

Overall DO Rating	Moderately Satisfactory
Overall IP Rating	Moderately Unsatisfactory
Overall Risk Rating	Substantial

C. Development Progress

Objective or Outcome	Description				
Objective:	The objective of the project is to support the government of Peru in the development and implementation of National Appropriate Mitigation Actions in the energy sector				
	Description of Indicator	Baseline Level	Target level at end of project	Level at 30 June 2016	Cumulative progress since project start
	Baseline emission trends	GHG inventory developed at sectoral and national level	GHG energy inventory sufficiently detailed at the regional and sub-sectoral levels to define clear baseline conditions for NAMA implementation		A GHG Inventory for the energy sector for 2014 has been completed by MINEM in 2016 and was officially approved by MINAM in 2017. The final approved Annual Report on Greenhouse Gas Emissions (RAGEI) for 2014 and approval by MINAM are attached. (Annex 1). The project is currently collecting data for the 2015 Inventory, which will be completed by the end of 2017 (Annex 2). Need to clarify that regional level inventory is not necessary for this Project given that the regulatory changes made apply at the national level and projects are not being implemented by region.
	Portfolio of NAMAs in the energy generation and end use sectors	No systematic assessment of potential abatement measures in energy sector	Full assessment of mitigation options in energy sector is conducted and portfolio of potential NAMAs is generated		Diagnostic studies are currently in process and the mitigation actions have been evaluated. The diagnostic studies for the Electric Transport, the Energy Efficiency and Grid-Connected NAMAs are currently being finalized and the Off-Grid NAMA diagnostic studies will be completed in August 2017. The reports that have already been approved are attached (Annex 3). The final mitigation actions are being incorporated in the detailed designs that will be completed by the end of 2017 [goo.gl/ah6MEu] and [goo.gl/9VUJ3r].
	Implementation of NAMAs in off grid and in grid renewable energy generation	No NAMAs in the off grid renewable energy sub sector under implementation	One NAMA in off grid renewable energy generation fully designed and under implementation (on off grid electrification with PV panels), including implementation of MRV mechanisms.		Implementation of the national rural electrification program is currently underway. 6,000 PV panel systems have been installed in the North, Central and Southern Regions (2,000 each) and the remaining systems of the 170,000 in total are expected to be installed during 2017 [goo.gl/fxMvH9] (Annex 4). MINEM has committed \$20,800,000 in co-financing for this NAMA Project, which is partly attributed to the resources dedicated to the rural electrification program. Ergon recently gave a presentation on the history and status of the project which can be seen in the following link: https://prezi.com/view/SBgYITrSTADcM5ioz85x/

	Implementation of NAMAs in grid connected renewable energy generation	No NAMAs in the off grid renewable energy sub sector under implementation	One NAMA in on grid renewable energy generation and/or efficiency energy fully designed and under implementation including implementation of MRV mechanisms.		<p>Four non-conventional renewable energy auctions have been implemented to date since 2010. The results of these auctions are summarized on the Osinergmin website and below (http://www2.osinerg.gob.pe/EnergiasRenovables/contenido/SubastasAnteriores.html). As part of the Project's diagnostic study for the Grid-Connected Renewable Energy NAMA, the NAMA Project has developed an energy sector model that is now being used by the energy planning team in MINEM to evaluate potential regulatory changes that promote a greater share of renewables in the national grid, as well as the development of a new 10-year National Energy Plan. The diagnostic study proposes regulatory changes that not only increase the current of objective of 5% contribution from non-conventional renewable energy resources to 10%, but also give wind and solar energy projects access to the free and regulated markets, of which they are currently excluded. It presents alternatives to the renewable energy auction that help to further expand the opportunities for renewables. The diagnostic study also presents a finance mechanism which would help offset the difference in costs between conventional and renewable energy resources until market conditions allow renewable energy to compete fairly in a transparent market. Lastly, the study presents regulatory changes required to capture the carbon emissions from both existing and new RER projects. Key actors in the sector (Osinergmin and COES) as well as key members of the ministry have been continuously involved in the development of the diagnostic study, giving their input to ensure that the proposals are relevant, feasible and aligned with the political agenda. The final proposed regulatory changes resulting from the diagnostic study will be presented to the Vice Minister of Energy in late July 2017. The results of the previous 4 renewable energy auctions are summarized as follows:</p> <ul style="list-style-type: none"> • First Auction: 12 February 2010 (first round) and 23 July 2010 (second round): 181 MW Mini Hydro (• Second Auction: 23 August 2011: 102 MW Mini Hydro, 90 MW Wind, 16 MW Solar, 2 MW Biomass. • Third Auction: 12 December 2013: 240 MW Mini Hydro. • Fourth Auction: 16 February 2016: 80 MW Mini Hydro, 162 MW Wind, 184 MW Solar, 4 MW Biomass.
	Establishment and operation of MRV protocols	No systematic methodology for monitoring GHG emission reductions in the energy sector	Fully designed and operational MRV protocols and procedures for NAMAs in the energy sector		The MRV protocols will be included within the consultancies for the detailed design of the NAMAs. The detailed design for the electric transport and energy efficiency NAMAs will start in July, and the consultancies for the other 2 NAMAs will start in July/August. The protocols and procedures for MRV will be established according to the national protocol developed by the Ministry of Environment (MINAM) and implemented by the Project.
	Renewable energy generated by on and off grid sources	Grid connected - 2.7% participation of non-conventional RE	Grid Connected: 3.5% participation of non-		Peru has achieved nearly 4% contribution from non-conventional renewable energy by 2017 according to official documentation of MINEM, COES and Osinergmin. In reality, the off-grid electrification project that is being managed by DGER originally planned to be installed in 500,000 houses (50 MW) has been reduced to 170,000

		Generation in National Grid Off Grid – No systematic monitoring of off grid RE generation	conventional RE Generation in National Grid by 2018. Off grid – 17 MW additional off-grid generation		houses (17 MW) (Annex 4). This change was reported and agreed in the Inception Workshop (see attached Inception Workshop Report in Annex 5).
	Direct and indirect GHG emissions resulting from the project	N/A	MRV protocols are used to track the following project targets: Direct emission reductions of 962,000 tons CO2 over 10 years Indirect emission reductions of 1,600,000 tons CO2 over 10 years		The protocol for MRV is currently in finalization by MINAM and will be included in the detailed design phase for implementation by the Project. The mentioned reduction targets are associated with the 50 MW rural electrification program and should be adjusted according to the reduced scope of this rural electrification project (now 17 MW) (See attached bases and addendums). This change was agreed during the Inception Workshop (see attached Inception Workshop Report Annex 5). However, it should be noted that these emission reductions limits are only associated with the off-grid renewable energy NAMA and will be expanded both for this NAMA and the other three NAMAs as part of the Detailed Designs for each NAMA. The overall Project emission reductions are expected to be much greater and will be estimated for the complete NAMA Project (4 NAMAs) by the end of 2017.
	NEW INDICATOR: Implementation of two NAMAs in energy efficiency (energy final use)	No NAMAs in the energy efficiency sub sector under implementation	Two NAMAs in energy efficiency fully designed and under implementation (final energy use), including implementation of MRV mechanisms		
The progress of the objective can be described as:		On track			
Outcome 1:	Established national and regional GHG emission BAU reference baseline for the energy sector				
	Description of Indicator	Baseline Level	Target level at end of project	Level at 30 June 2016	Cumulative progress since project start

	One GHG inventory procedure validated by the relevant energy entities and coherent with InformaGEI and the National Energy Balance by 2014.	Existing legal procedure Supreme Decree N 013-2014-MINAM "Provisions for the elaboration of the National Greenhouse Gas Inventory - INFOCARBONO", whose operation will allow the development of institutional arrangements for the collection, evaluation and systematization of information related to the emission and Removal of greenhouse gases	Procedure validated, approved and implemented by the second quarter of 2016.		The procedure for the 2014 GHG inventory was modified by the NAMA Project for the Energy Sector, and presented to MINAM for validation in the second quarter of 2016. This was approved and used to complete the 2014 GHG inventory in 2016 (Annex 6). The NAMA Project is currently implementing the new procedure for the development of the GEI inventories and annual reports (Annex 1 and Annex 2).
	One final report of an inventory based on the approved procedure divided by sub-sector developed during 2014.	Inventory of GHG emissions per selected sub-sector is updated until 2010, based on a formal methodology. Non-periodically updated inventory to assess the real emissions and impact of mitigation activities.	Updated inventory based on approved procedure using the latest available and required year information.		The 2014 inventory and associated annual report developed by the NAMA Project have been approved and validated by MINAM in the last quarter of 2016. The final approved Annual Report on Greenhouse Gas Emissions (RAGEI) for 2014 produced by the NAMA Project is attached (Annex 1). The inventory for 2015 is currently in development by the NAMA Project and will be approved and validated by MINAM by the last quarter of 2017 (Annex 2). These inventories will be incorporated as formal inputs during the development of the BAU for each of the 4 NAMAs.
	BAU systematized and publicly available reference baseline reports for the selected sub-sectors during 2014	Non-existent updated or systematized national or regional GHG BAU	BAU reference baselines approved and in accordance with procedure and		The BAU has been estimated by the project and will be refined by the external consultants during the detailed design of each NAMA. A preliminary excel workbook with these estimations has been included in this report (Annex 7). The period of no shorter than 2013-2021 should be changed to 2010-2030 according to the timeline of the NDC. This change was agreed during the Inception Workshop (see attached

	and for a period no shorter than 2013-2021.	reference baselines.	PlanCC outcomes by June 2016.		Inception Workshop Report Annex 5). Also, the goal of completing this by June 2015 is incorrect and not in agreement with the Prodoc which says the first semester of 2016. In reality both should be adjusted to the end of 2017.
The progress of the objective can be described as:		On track			
Outcome 2:	Prioritized mitigation options and MACCs are identified, NAMA Design Documents are developed in the selected sub-sectors (new renewable energy sources both connected and non-connected to the grid), and 4 NAMA activities are ready for implementation				
	Description of Indicator	Baseline Level	Target level at end of project	Level at 30 June 2016	Cumulative progress since project start
	1 sector wide and 2 sub sectoral MAC curves	Nonexistent mitigation options listed and assessed. Nonexistent MAC curves in the selected sub-sectors.	Energy sector MAC curve reports and detailed sub sectoral mac curves for on and off grid RE approved by the Project Steering Committee.		During the Detailed Design phase of the four NAMAs, MAC Curves will be developed for each of the 4 NAMAs. These will consider the values included in the MAC Curves developed by Plan CC, but updated as appropriate for the Project in 2018.
	Portfolio of NAMA activities and NAMA factsheets	No portfolio of energy generation and end use NAMAs in place	Portfolio of NAMA activities at the conceptual design level in place for energy generation and end use.		Portfolios and factsheets for the NAMAs will be developed as part of the consultancies for the detailed design of the 4 NAMAs, which will be completed by the end of 2017. The 4 NAMAs that will be designed by the end of 2017 include: 1. NAMA # 1: Promotion and improvement of national energy efficiency measures via regulatory changes and financial mechanisms that promote energy efficiency in all sectors; 2. NAMA # 2: The promotion of a greater share of renewable energy (RER) in interconnected systems; 3. NAMA # 3: Improvement of universal access to sustainable energy solutions in off-grid (rural) areas, using renewable energy (RER) resources; and 4. NAMA # 4: Transformation of the energy sector through regulatory changes and financial mechanisms that promote a transition towards electric transport.
	Policy and finance instruments for NAMA implementation in two selected sub sectors defined	No systematic assessment of existing and potential policy and finance instruments for on and off grid RE development in Peru	Specific set of policy and financial instruments defined for supporting NAMAs in residential energy efficiency		Specific policy and financial instruments are currently being proposed as part of the diagnostic studies, and will be developed and included as part of the consultancies for the detailed design of the 4 NAMAs, which will be completed by the end of 2017.

	3 formal training sessions by sub-sector, related to the design of mitigation programmes,	Training sessions exist in different sectors but are not coordinated, with no major consistency in the people that assist, no systematic evaluation system and no formal methodology for NAMA development process.	Training sessions developed by year 1, including content and evaluation methodology. Two annual training sessions (one per sub-sector) conducted during project lifetime		The Project has completed 3 training sessions related to GHG inventories for the NAMA to be used as part of the BAU y MRV (Annex 8). Additionally, the grid-connected renewable energy NAMA is preparing to conduct a training on modeling of the energy sector to help in the design and implementation stages as part of the Terms of Reference for the Grid Connected Renewable Energy NAMA, which will be conducted in July.
	Four NAMA detailed designs in place	No NAMA concepts in any of the selected sub-sectors, therefore no potential GHG mitigation potentials, barriers, benefits, financial resources or responsible determined.	NAMA concepts approved by the Project Steering Committee, based on a list of assessed and prioritized mitigation actions; including financing sources and containing coordinated institutional arrangements, and ready to initiate piloting.		The project is currently in the finalization of contracts to begin the detailed design of the energy efficiency and electric transport NAMAs, which will be completed in October / November 2017. The other two detailed designs for the grid-connected and off-grid renewable energy NAMAs will November / December 2017.
The progress of the objective can be described as:		On track			
Outcome 3:	Entities related to renewable energy connected to the grid (all technologies excluding large hydro) and (ii) off grid renewable energy sub-sectors are implementing prioritized NAMAs in a piloting phase and contributing to the achievement of Peru's voluntary mitigation target.				
	Description of Indicator	Baseline Level	Target level at end of project	Level at 30 June 2016	Cumulative progress since project start
	Implementation of NAMA activity #1 (off grid RE with PV)	Large scale PV program programmed for	PV electrification NAMA is fully operational and		The contract is now in implementation for the installation of 170,000 off-grid PV systems (see attached bases and adendums), 6,000 have already been installed and the remaining systems are expected be installed by the end of 2017. Need to correct

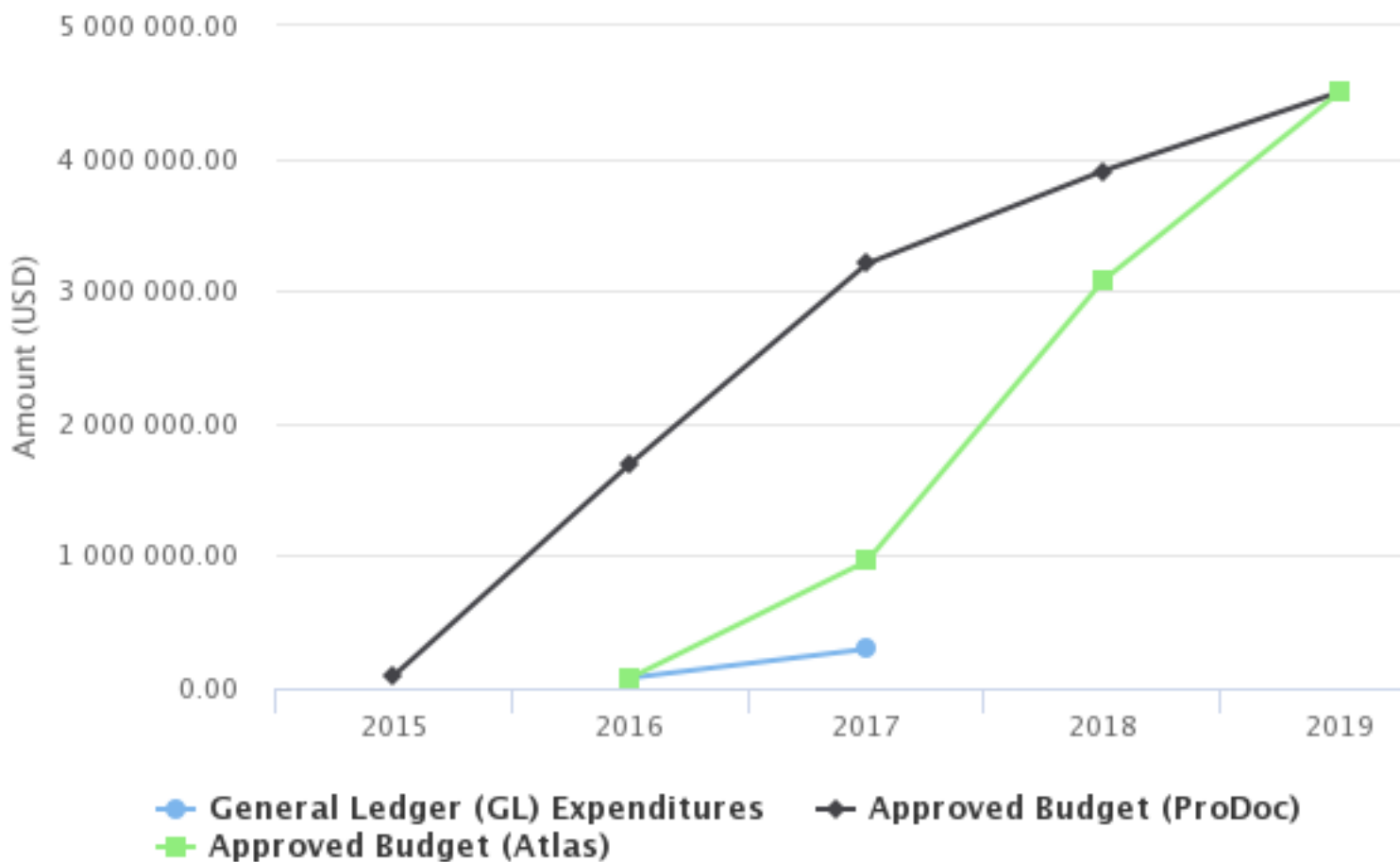
		launch in 2014, but not framed as a NAMA	supports the installation of 170,000 PV panels. Expected installed capacity 17 MW. MRV mechanisms fully in place.		this target for the total number of systems, reducing from 500,000 to 170,000. This change was agreed with GEF during the Inception Workshop (see Annex 5).
	Implementation of Performance Based Payment System for off Grid RE with PV Systems	Payment mechanisms for off grid PV systems not fully defined, energy and GHG abatement goals not integrated.	Mechanism established for payment upon delivery of off grid PV based energy services, based on independent assessment of compliance with NAMA MRV protocol		The performance based payment system has been finalized and is starting implementation for the initial 6000 systems. This is one component of the implementation of the off-grid renewable energy NAMA (see attached R.S. No. 175-2017-MEM-DM). Additionally, this NAMA is focused on increasing universal access to energy via other programs and potentially with other renewable energy technologies for both rural electrification and clean cooking solutions.
	Implementation of NAMA activity #2 (Renewable Energy and/or Energy Efficiency)	NAMA activity undefined	Energy Efficiency NAMA activity fully operational. MRV mechanisms fully in place.		This Energy Efficiency NAMA is focused on strengthening various initiatives in development by the Energy Efficiency Direction (DGEE) to ensure their success and implementation at the national scale, as well as monitor and report the emission reductions associated with their implementation. As part of the Detailed Design consultancy currently underway, the NAMA Project is developing the MRV system to monitor and report the GHG reductions associated with the Energy Efficiency measures being implemented in DGEE, including the Energy Efficiency Labelling Regulation which was approved in April 2017, the mandatory audits in the public sector according to D.S. N° 053-2007-EM, implementation of the approved “fichas de homologación”, which provide the standards for energy efficient equipment included in the “Peru Compras” approved list for public sector purchases [goo.gl/kyD5pq], and the lighting market transformation initiatives. Additionally, the NAMA Project is completing a consultancy to develop a financing mechanism to promote the purchase and replacement with energy efficiency equipment in the private sector (residential and commercial). The project is also currently developing a Project website that will be completed in 2017 and will include information on energy efficiency such as the 17 energy efficiency guides for seven sectors (goo.gl/ntMjYy), promotional and education information, and updates on the pilot projects, programs and implementation results of the NAMA Project.

	Implementation of NAMA Activity #3 (grid connected Renewable Energy and or Energy Efficiency)	NAMA activity undefined	Electric Transport NAMA fully operational. MRV mechanisms fully in place		The project is currently finishing a consultancy for a diagnostic study to evaluate pilot projects and mechanisms to promote electric transport. A new consultancy is also currently starting to develop a detailed proposal and cost-benefit analysis of regulatory changes to promote and increase access to electric transport. The detailed design of the NAMA is also currently beginning and will be completed in October 2017.
	Implementation of NAMA Activity #4 (grid connected Renewable Energy)	NAMA activity undefined	On grid NAMA activity fully operational. Must track contribution to increasing RE grid participation to 2.5% by end of project and 5% by 2020. MRV mechanisms fully in place.		<p>Peru has achieved nearly 4% contribution from non-conventional renewable energy by 2017 according to official sources from Osinermin. (http://www2.osinerg.gob.pe/web_osinerg/includes/marcos4.html) and COES (http://www.coes.org.pe/portal/)</p> <p>In addition to the bi-annual renewable energy auction to achieve 5% of demand contribution from non-conventional renewables, there is a pending distributed generation regulation currently in development which should be proposed by the end of 2017, and another regulatory reform in development to allow renewable energy generation to compete with conventional generation in the free and regulated markets.</p> <p>As part of the Project's diagnostic study for the Grid-Connected Renewable Energy NAMA, the NAMA Project has developed an energy sector model that is now being used by the energy planning team in MINEM to evaluate potential regulatory changes that promote a greater share of renewables in the national grid, as well as the development of a new 10-year National Energy Plan. The diagnostic study proposes regulatory changes that not only increase the current of objective of 5% contribution from non-conventional renewable energy resources to 10%, but also give wind and solar energy projects access to the free and regulated markets, of which they are currently excluded. It presents alternatives to the renewable energy auction that help to further expand the opportunities for renewables. The diagnostic study also presents a finance mechanism which would help offset the difference in costs between conventional and renewable energy resources until market conditions allow renewable energy to compete fairly in a transparent market. Lastly, the study presents regulatory changes required to capture the carbon emissions from both existing and new RER projects. Key actors in the sector (Osinermin and COES) as well as key members of the ministry have been continuously involved in the development of the diagnostic study, giving their input to ensure that the proposals are relevant, feasible and aligned with the political agenda. The final proposed regulatory changes resulting from the diagnostic study will be presented to the Vice Minister of Energy in late July 2017.</p>
	Implementation of MRV protocols and tracking of NAMA related GHG emission reductions	MRV protocols for pilot NAMAs not in place	MRV protocols are used to track the following project targets: Direct emission reductions of		<p>The national MRV protocol is currently being finalized by MINAM.</p> <p>The mentioned reduction targets are associated with the 50 MW rural electrification program and should be adjusted according to the reduced scope of this project (now 17 MW). This change was agreed with GEF during the Inception Workshop (see attached Inception Workshop Report Annex 5). However, it should be mentioned that</p>

			962,000 tons CO2 over 10 years Indirect emission reductions of 1,600,000 tons CO2 over 10 years		the reduction of GEI attributed to the Project is expected to be much higher than this as it will also include the reductions associated with electric transport, energy
The progress of the objective can be described as:		On track			
Outcome 4: Accurate mechanism for measurement and accounting of actual GHG emission reductions from mitigation actions in the energy generation and end-use sector are in place.					
	Description of Indicator	Baseline Level	Target level at end of project	Level at 30 June 2016	Cumulative progress since project start
	MRV protocol designed	No MRV protocols in place	MRV protocols for energy sector NAMAs designed and approved by Steering Committee		The national MRV protocol is currently being finalized by MINAM and the NAMA Project is collaborating continuously with MINAM to support the development of the protocol. The protocol will be presented by MINAM at the end of 2017 in the NAMA Workshop that will be developed by the NAMA Project. The specific design as appropriate for each NAMA will be developed in the detailed design consultancies, which will be completed in October - December 2017.
	Implementation of energy sector MRV registry	No energy sector MRV registry	Energy sector MRV registry in place		The specific design as appropriate for each NAMA will be developed in the detailed design consultancies, which will be completed in October - December 2017 in concordance with the national MRV protocol and implemented starting in 2018.
	Mainstreaming of climate change mitigation in Ministry of Finance's Results Based Budgeting Program	Results Based budgeting program in operation with no CC-related indicators	Climate Change related indicators incorporated in ministry of Finance's Results Based Budgeting Program		This will be developed in collaboration with MEF next year after the finalization of the detailed design of the NAMAs.
	Application of MRV procedures	No MRV procedures in place for Energy sector NAMAs	MRV procedures implemented in all energy related NAMA activities		The national MRV protocol is currently being finalized by MINAM. The specific design as appropriate for each NAMA will be developed in the detailed design consultancies, which will be completed in October - December 2017.
The progress of the objective can be described as:		On track			

D. Implementation Progress

Cumulative Disbursements



Highcharts

Cumulative GL delivery against total approved amount (in prodoc):	6.58%
Cumulative GL delivery against expected delivery as of this year:	9.24%
Cumulative disbursement as of 30 June (note: amount to be updated in late August):	296,049.06

Key Financing Amounts

PPG Amount	45,000
GEF Grant Amount	4500000
Co-financing	32,010,000

Key Project Dates

PIF Approval Date	Jun 7, 2012
CEO Endorsement Date	Apr 9, 2014
Project Document Signature Date (project start date):	Oct 19, 2015
Date of Inception Workshop	Jun 15, 2016
Expected Date of Mid-term Review	Dec 10, 2018
Actual Date of Mid-term Review	(not set or not applicable)
Expected Date of Terminal Evaluation	Dec 9, 2019
Original Planned Closing Date	Dec 31, 2019
Revised Planned Closing Date	(not set or not applicable)

Dates of Project Steering Committee/Board Meetings during reporting period (30 June 2016 to 1 July 2017)

2016-04-25
2016-05-03
2016-12-06

E. Critical Risk Management

Current Types of Critical Risks	Critical risk management measures undertaken this reporting period
Political	<p>There have been three Project Directors (Director of the Energy Efficiency Directorate) and a change of the government with the new president. This has resulted in delays in the approval of various terms of reference as well as changes in the scopes of work for the consultancies resulting from different political objectives.</p> <p>The actions that have been taken in order to mitigate the risks associated with these political changes have been to continue meeting with key actors of the Ministry such as the vice minister, directors and assessors to the minister and the project national direction to ensure that they understand the objectives of the project and their importance for the country, and continue to support the initiatives of the Energy NAMA Project. The Project is also continuing to collaborate with key actors outside of the ministry to ensure that the initiatives are developing in the sector and have the support of all stakeholders. Where appropriate, formal agreements have been signed to define the scope of these collaborations (Annex 9).</p>
Regulatory	<p>There have been delays in the approval process for various regulations in development, on which the NAMAs depend in order to be successful in their implementation, for example the Regulation for Energy Efficiency Labeling took two years to be approved. The Distributed Generation Regulation has been pending for over three years and is currently being delayed due to concerns over impacts to the distributors. The fifth renewable energy auction that is by law supposed to occur every two years has been delayed due to the over capacity of the national grid.</p> <p>The actions taken in order to mitigate these risks have been to contract studies that justify or evaluate the costs/benefits of these regulatory changes in order to help ensure that they are developed and approved as quickly as possible. This has worked for the Energy Efficiency Labeling Regulation, which was successfully approved in April 2017. In addition, there are current studies underway financed by the Project to support regulatory changes to promote electric transport, increase the share of grid-connected renewables, financing of energy efficiency measures and use of national funds for the promotion of off-grid energy solutions.</p>

F. Adjustments

Comments on delays in key project milestones

<p>Project Manager: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure.</p>
<p>The inception workshop was completed in time with no delays. The other key project milestones mentioned are still pending and are on schedule.</p>
<p>Country Office: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure.</p>
<p>The inception workshop was completed, and it has contributed in the revision and adjustment of targets and work plan with an active involvement of different stakeholders (private sector, ministry of environment, ministry of production, academy and civil society, amongst others). The Results Framework proposal will be reported in the Midterm Evaluation, which is planned to finish on December 2018.</p>
<p>UNDP-GEF Technical Adviser: please provide comments on delays this reporting period in achieving any of the following key project milestones: inception workshop, mid-term review, terminal evaluation and/or project closure.</p>
<p>Despite of having delayed to realize Inception workshop (8 months after Prodoc signature), inception report was delivered with high quality.</p>

G. Ratings and Overall Assessments

Role	2017 Development Objective Progress Rating	2017 Implementation Progress Rating
Project Manager/Coordinator	Moderately Satisfactory	<i>- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -</i>
Overall Assessment	<p>The Cumulative GL delivery against expected delivery as of this year and against the total approved amount (in Prodoc) are low, and there are various reasons for this. The first is that the Project is currently managing 13 consultancies in different stages of development. All of these consultancies have experienced delays from the development of the TdR due to conflicting perspectives of different members of the steering committee, to extending the deadlines for the reception of proposals due to lack of qualified consultancies, to multiple rounds of observations, as well as changes in the direction of the studies resulting from changes in the direction of the ministry. There have been three Project Directors (Director of the Energy Efficiency Directorate) and a change of the government (and associated ministers) with the new president in July 2016, resulting in delays in the approval of various documents as well as changes due to differing political objectives.</p> <p>There have also been delays in the approval process for various regulations in development, on which the NAMAs depend in order to be successful in their design and implementation, for example the Regulation for Energy Efficiency Labeling took two years to be approved. The Distributed Generation Regulation has been pending for over three years and is currently due but is being delayed due to concerns over impacts to the distributors. The fifth renewable energy auction should by law take place every two years and has been delayed due to the over capacity of the national grid. These among other pending regulatory changes that form part of the enabling conditions of the NAMA make it difficult to project with certainty which mitigation actions are feasible within the Project timeframe.</p> <p>The actions that have been taken in order to mitigate these obstacles and risks have been to continue meeting with key actors of the Ministry such as the vice minister, directors and assessors to the minister to ensure that they understand the objectives of the project and their importance for the country, and continue to support and be actively involved in the development of the initiatives of the Energy NAMA Project.</p> <p>The project has contracted studies that justify or evaluate the costs/benefits of the proposed regulatory changes in order to help ensure that they are developed and approved as quickly as possible. This has worked for the Energy Efficiency Labeling Regulation, which was successfully approved in April 2017. In addition, there are current studies underway financed by the Project to support regulatory changes to promote electric transport, increase the share of grid-connected renewables, financing of energy efficiency measures and use of national funds for the promotion of off-grid energy solutions.</p> <p>The Project is currently finalizing 5 diagnostic studies and is on path to complete the 4 detailed designs for the 4 NAMAs by the end of 2017. The consultancy for the design of the sustainable energy school for women and the consultancy to outline the regulatory changes and cost/benefit impacts will also be completed by the end of the year. Lastly, there are three pilot projects (electric transport, rural electrification and clean cooking -,) that should be implemented this year and will support the development of the off-grid renewable energy and the electric transport NAMAs. All of these contracts are expected to close by the end of 2017, which will help bring the project budget back in alignment with the forecasted work plan, after which the Project will be on track according to the original work plan.</p>	
Role	2017 Development Objective Progress Rating	2017 Implementation Progress Rating

UNDP Country Office Programme Officer	Moderately Satisfactory	Moderately Unsatisfactory
Overall Assessment	<p>The project has started with delays, and it has had difficulties at the beginning given internal changes in the government including change in the National Direction and the cross sectorial nature of the NAMAS. However, the project led by National Direction has manage it position its approach and regulatory changes at a high level so the Energy Sector is completely engage and actively promotes the NAMAs will be developed by the project. This is giving more agility in the current implementation of the project. UNDP Country Office has provided guidance so that the energy had full sector appropriation of this project and is currently facilitating cross sectorial coordination with the MINAN and MEF to achieve NDC, and guarantee the incorporation of NAMAS in the National Registry for development of future carbon markets.</p> <p>During implementation, the Project has had some problems with the consultancies, because the expertise in NAMAS in Peru, specify in Energy sector is very incipient. The project should consider generating more local capacities and information exchanges through different mechanisms some of them UN System could facilitate.</p> <p>The period, we expect to have the design of NAMAS finished and their MRV validated and approved which should be aligned with national regulations.</p>	
Role	2017 Development Objective Progress Rating	2017 Implementation Progress Rating
GEF Operational Focal point		- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -
Overall Assessment		
Role	2017 Development Objective Progress Rating	2017 Implementation Progress Rating
Project Implementing Partner	Moderately Satisfactory	- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -
Overall Assessment	<p>From a high level perspective as Project Director, it is clear that the Project has experienced various political and technical challenges, primarily attributed to changing government conditions, such as rotation of president, ministers, vice ministers and directors, which has changed the management approach, approval process and sometimes direction of the Project. However, despite these challenges, the Project has continued to push forward and is now moving from the diagnostic phase to the design phase. The Project is regaining its alignment with the 2017 Work Plan with the current consultancies that are finishing, and the additional 4 consultancies that should be contracted in the following months, that will improve the project execution, in addition to the implementation of the first pilot projects. By the end of 2017 the design phase should be completed and in early the 2018 the 4 Energy NAMAs are expected to be registered in official national and UNFCCC platforms officially commencing the implementation phase.</p> <p>There have been a number of lessons learned during the first year of the Project, especially related to the contracting of consultants and the format in which the Project can contribute to regulatory changes. The NAMA Project has now imbedded itself within the framework and initiatives of DGEE, ensuring the ongoing promotion of the NAMAs and capacity building of the Ministry to ensure a long-term legacy of the project and compliance with the national targets (NDC) through 2030.</p>	
Role	2017 Development Objective Progress Rating	2017 Implementation Progress Rating
Other Partners		- IP Rating provided by UNDP-GEF Technical Adviser and UNDP Country Office only -
Overall Assessment		

Role	2017 Development Objective Progress Rating	2017 Implementation Progress Rating
UNDP-GEF Technical Adviser	Moderately Satisfactory	Moderately Unsatisfactory
Overall Assessment	<p>After some delays to the start of implementation, since the project's inception workshop took place in June 2016 and Prodoc signature took place in October 2015, the project has managed to start some important milestone studies necessary to design and implement the four NAMAs agreed in the PRODOC. The project is overall on track to achieve its end-of-project targets by its closure and RTA, in line with country office and project team, considers DO progress as moderately satisfactory. Some targets have been adjusted in order to be aligned with national priorities and policy goals. This has been justified in the Inception report and agreed by Steering Committee. The project has had three directors to date and has encountered other political changes but has managed to keep in close communication with high level national authorities. This is essential to guarantee that capacities will be developed and retained by government officials in the Ministry of Energy, Environment and Financing and other government counterparts.</p> <p>The approval of the procedures for GEI and annual reports at the government level and their updating by the project was crucial for the definition of the BAU reference baseline for the energy sector. The baseline and the diagnostic studies underway are technically complex and are requisites to pass to the next phase of NAMAs' design. Despite not having the final results from the consultancies contracted, one important impact of the project to date is related to the development of models that might guide energy policy making and planning with potential to enhance the share of RE energies in the country. The project team should also wider explore the opportunities to apply UNDP's approach on De-risking renewable energy investment (DREI - related to policy, regulatory and financial instruments) based on the results of the technical and economic analysis (cost potential curves). This would also be an opportunity for the project to exchange experiences on the regional level related to the pathways for implementing NDC's voluntary targets in the region, creating an opportunity for south-south cooperation. Alignment with National NDC's target is being sought by expanding the timeframe of BAU estimations. This approach, with justifications, should be included in the Mid-term revision of the project.</p> <p>The NAMA includes an interesting proposed initiative related to gender, the Woman's energy school. It should continuously try to mainstream the gender perspective in the design phase of the NAMAs. Some attention should be given to the dissemination of the technical and economic studies underway and to training and developing capacities nationally on these topics.</p> <p>In the next phase of implementation, special attention should be given to the development of accurate mechanisms for the measurement and accounting of actual GHG emission reductions of the four NAMAs. Despite all seed studies, and because the project has not finalized the consultancies under development, the delivery rate of the project is low at the time of the report and RTA in line with Country office rates Implementation progress as moderately unsatisfactory. To mitigate potential risks, the work plan for next year should include activities to address these delays, streamlining the dissemination and approval of results with government counterparts to have deliverables of current consultancies evaluated and finalized. The elaboration of the terms of reference for the detailed design of NAMAS should be based on the results of the studies. They represent the next level of project implementation and are an important milestone. The procurement and execution of these studies, together with the demonstrative projects, shall enhance project delivery rates.</p>	

H. Gender

Progress in Advancing Gender Equality and Women's Empowerment

This information is used in the UNDP-GEF Annual Performance Report, UNDP-GEF Annual Gender Report, reporting to the UNDP Gender Steering and Implementation Committee and for other internal and external communications and learning.

<p>Has a gender analysis been carried out this reporting period? Please note that all projects approved in GEF-6 (1 July 2014 through 30 June 2018) are required to carry out a gender analysis.</p>
<p>No</p>
<p>If a gender analysis was carried out what were the findings?</p>
<p>The gender analysis will be developed during second semester of 2017 as part of the consultancy for the women's energy school "Yachaywasi Michawarmi" currently in process. This school will promote gender equality and universal access to energy and will involve all four NAMAs in the sense that it will promote the education of women throughout Peru in sustainable energy solutions in the areas of energy efficiency, renewable energy and electric transport. It will promote entrepreneurial development of local businesses by women, ensuring continued maintenance of energy systems installed in rural communities, and increasing awareness of sustainable energy technologies as appropriate for each respective region. This school will support all four NAMAs creating an establishment, interactive public platform and curriculum that will provide useful tools and information for all Peruvians, and will involve relevant ministries in the promotion of women's education, opportunities and improved living conditions in rural areas of Peru.</p> <p>We are currently starting a consultancy to design a sustainable energy school network and curriculum for women in Peru. This will be based on the model of Barefoot College but modified and expanded to the Peruvian context focusing on collaboration with other ministries and regional networks of rural community centers (Tambos). The design will be completed by November 2017 and the Project hopes to start a pilot project in 2018.</p>
<p>Does this project specifically target woman or girls as direct beneficiaries?</p>
<p>Yes</p>
<p>Please specify results achieved this reporting period that focus on increasing gender equality and improving the empowerment of women.</p>
<p>Results reported can include site-level results working with local communities as well as work to integrate gender considerations into national policies, strategies and planning. Please explain how the results reported addressed the different needs of men or women, changed norms, values, and power structures, and/or contributed to transforming or challenging gender inequalities and discrimination.</p>
<p>Women and girls will be the subject of the women's energy school, ensuring continued strengthening of their skills and knowledge of sustainable energy solutions. They will be the first to benefit from these systems as they are the ones that will be using them first hand, reducing the need for fossil fuel based lighting, heating and carbon-based cooking which have been linked to extensive health problems, among other impacts to their quality of life.</p> <p>During this reporting period, we have conducted meetings with appropriate partners and stakeholders for the development of the school, including the Ministry of Women and Vulnerable Populations, the Ministry of Social Inclusion, the Ministry of Housing, Construction and Sanitation, the Ministry of Education, the General Directorate of Rural Electrification, GIZ, Olade, Enel, Yachaywasi de Camisea, Soluciones Practicas, WWF, among others. This has helped to refine the scope and objectives of the school to enable the development of the Terms of Reference. The design consultancy is scheduled to begin in July 2017.</p>

I. Communicating Impact

<p>Tell us the story of the project focusing on how the project has helped to improve people's lives. (This text will be used for UNDP corporate communications, the UNDP-GEF website, and/or other internal and external knowledge and learning efforts.)</p>
<p>The NAMA Project is still in the design stage, however, we hope and expect that the results and benefits of this project will be far reached throughout all communities in Peru, improving the rate of sustainable access to energy for all, reducing the number of deaths associated with indoor inhalation of smoke from cooking, providing education to women and poor communities throughout Peru in the use, installation, maintenance and entrepreneurship of sustainable energy solutions, reducing exposure to air and noise contamination in the transport sector with the introduction of electric transport, and increasing the access and knowledge of energy efficiency measures in order to reduce the consumption of energy and associated costs.</p>
<p>What is the most significant change that has resulted from the project this reporting period? (This text will be used for internal knowledge management in the respective technical team and region.)</p>
<p>The biggest change seen by the project to date has been internally within the Ministry of Energy and Mines in the form of greater understanding and support for sustainable energy solutions (electric transport, renewable energy and energy efficiency), capacity building within the General Directorate of Energy Efficiency and active involvement by ministry representatives in the ongoing development and success of the NAMAs.</p>
<p>Describe how the project supported South-South Cooperation and Triangular Cooperation efforts in the reporting year. (This text will be used for internal knowledge management within the respective technical team and region.)</p>
<p>This project has not supported these Cooperations directly in this period.</p>

Project Links and Social Media

<p>Please include: project's website, project page on the UNDP website, Adaptation Learning Mechanism (UNDP-ALM) platform, Facebook, Twitter, Flickr, YouTube, as well as hyperlinks to any media coverage of the project, for example, stories written by an outside source. Please upload any supporting files, including photos, videos, stories, and other documents using the 'file upload' button in the top right of the PIR.</p>
<p>The web page for the Project is currently in development and will be completed by August 2017. The placeholder for the website can be found here: http://pad.minem.gob.pe/siee#</p> <p>Here are also some public articles about the project: [goo.gl/aLuL36] [goo.gl/tsFHJR] [goo.gl/yzXPfT] [goo.gl/m2ym3k] [goo.gl/ogQVCf]</p>

J. Partnerships

Give the name of the partner(s), and describe the partnership, recent notable activities and any innovative aspects of the work. Please do not use any acronyms. (limit = 2000 characters).
 This information is used to get a better understanding of the work GEF-funded projects are doing with key partners, including the GEF Small Grants Programme, indigenous peoples, the private sector, and other partners. Please list the full names of the partners (no acronyms please) and summarize what they are doing to help the project achieve its objectives. The data may be used for reporting to GEF Secretariat, the UNDP-GEF Annual Performance Report, UNDP Corporate Communications, posted on the UNDP-GEF website, and for other internal and external knowledge and learning efforts. The RTA should view and edit/elaborate on the information entered here. All projects must complete this section. Please enter "N/A" in cells that are not applicable to your project.

Civil Society Organisations/NGOs
German Development Cooperation (GIZ) NREL USAID UNEP-DTU EUEI World Wildlife Fund Wind Aid Soluciones Practicas Olade Clean Energy Solutions Center Korean Energy Agency Others
Indigenous Peoples
Private Sector
Enel Engie GoSun Tereo BYD Ecomovil Forza Phillips Bosch Aeropuerto de Lima Others
GEF Small Grants Programme
Other Partners
Ministry of Social Inclusion (MIDIS) Ministry of Women and Vulnerable Populations (MIMP) Ministry of Housing, Construction, and Sanitation Ministry of Education

K. Grievances

Environmental or Social Grievance

This section must be completed by the UNDP Country Office if a grievance related to the environmental or social impacts of this project was addressed this reporting period. It is very important that the questions are answered fully and in detail. If no environmental or social grievance was addressed this reporting period then please do not answer the following questions. If more than one grievance was addressed, please answer the following questions for the most significant grievance only and explain the other grievance(s) in the comment box below. The RTA should review and edit/elaborate on the information entered here. RTAs are not expected to answer these questions separately.

What environmental or social issue was the grievance related to?
How would you rate the significance of the grievance?
Please describe the on-going or resolved grievance noting who was involved, what action was taken to resolve the grievance, how much time it took, and what you learned from managing the grievance process (maximum 500 words). If more than one grievance was addressed this reporting period, please explain the other grievance (s) here.
No grievances reported on this period

L. Annex - Ratings Definitions

Development Objective Progress Ratings Definitions

(HS) Highly Satisfactory: Project is on track to exceed its end-of-project targets, and is likely to achieve transformational change by project closure. The project can be presented as 'outstanding practice'.

(S) Satisfactory: Project is on track to fully achieve its end-of-project targets by project closure. The project can be presented as 'good practice'.

(MS) Moderately Satisfactory: Project is on track to achieve its end-of-project targets by project closure with minor shortcomings only.

(MU) Moderately Unsatisfactory: Project is off track and is expected to partially achieve its end-of-project targets by project closure with significant shortcomings. Project results might be fully achieved by project closure if adaptive management is undertaken immediately.

(U) Unsatisfactory: Project is off track and is not expected to achieve its end-of-project targets by project closure. Project results might be partially achieved by project closure if major adaptive management is undertaken immediately.

(HU) Highly Unsatisfactory: Project is off track and is not expected to achieve its end-of-project targets without major restructuring.

Implementation Progress Ratings Definitions

(HS) Highly Satisfactory: Implementation is exceeding expectations. Cumulative financial delivery, timing of key implementation milestones, and risk management are fully on track. The project is managed extremely efficiently and effectively. The implementation of the project can be presented as 'outstanding practice'.

(S) Satisfactory: Implementation is proceeding as planned. Cumulative financial delivery, timing of key implementation milestones, and risk management are on track. The project is managed efficiently and effectively. The implementation of the project can be presented as 'good practice'.

(MS) Moderately Satisfactory: Implementation is proceeding as planned with minor deviations. Cumulative financial delivery and management of risks are mostly on track, with minor delays. The project is managed well.

(MU) Moderately Unsatisfactory: Implementation is not proceeding as planned and faces significant implementation issues. Implementation progress could be improved if adaptive management is undertaken immediately. Cumulative financial delivery, timing of key implementation milestones, and/or management of critical risks are significantly off track. The project is not fully or well supported.

(U) Unsatisfactory: Implementation is not proceeding as planned and faces major implementation issues and restructuring may be necessary. Cumulative financial delivery, timing of key implementation milestones, and/or management of critical risks are off track with major issues and/or concerns. The project is not fully or well supported.

(HU) Highly Unsatisfactory: Implementation is seriously under performing and major restructuring is required. Cumulative financial delivery, timing of key implementation milestones (e.g. start of activities), and management of critical risks are severely off track with severe issues and/or concerns. The project is not effectively or efficiently supported.