

Strategic Energy Planning in Peru:

Moving towards a more sustainable future

Peru, in its role of president of the COP20 and as an active player in Latin America and the world wants to show leadership and is implementing actions directed at improving the competitiveness of the energy sector in a way that goes hand in hand with the reduction of emissions.

The Peruvian electricity mix is diversified, clean and of low cost. It consists of 54% renewable energy and 46% conventional energy. The current policies promote social inclusion, which has led to 92% of access to electricity and the current policy goal is to reach 99% of connectivity in 2019, by implementing a program to install 500.000 solar panel systems in rural areas.

Peru aims to continue developing towards a low carbon energy mix, therefore for 2025 it has determined a new objective of 60% renewable energy and 40% gas in the electricity mix, securing access to electricity for the whole population and reduce the imports of gasoline and diesel, mostly used in the transport sector.

Peru aims to continue its investments in the energy sector in a structured way by promoting the establishment of an efficient infrastructure for gas, in order to guarantee security of supply and decentralized power generation. In a first step, infrastructure will be developed towards the South and then towards the center and the North of the country.

Peruvian emissions are relatively low, nevertheless, the Peruvian government wants to present ambitious goals and actions in the energy sector at the COP20. These are based on a precise process of strategic planning involving different stakeholders:

Short-term actions:

- To develop efficient transportation systems, with key mass transport projects in major cities and to promote the use of natural gas (CNG and LNG) as a fuel for passenger and freight transport. Not only for taxis, but also for large scale transport.
- To implement new projects of co-generation, substitution of boilers and replacement of electrical engines for more efficient ones, and efficient illuminations.
- To increase investment in order to intensify the efficient use of energy resources and the development of the energy infrastructure that is necessary for the different production options (smart grids).
- To develop system of eco-labels, for domestic appliances, lighting systems, electrical engines and boilers including establishing minimum efficiency standards for them.

- To strengthen the projects for further integration of energy systems with Ecuador, Chile, Colombia, Bolivia and Brazil in order to make better use of its resources and promote more efficient use of energy.

Medium- and long-term actions:

In the coming decade, natural gas will play a major role in the energy mix. Thereafter Peru's long term transition to a sustainable energy future will be done by a gradual substitution of natural gas by renewable energy sources (hydro, solar, wind, geothermal).

For the medium-term Peru is investigating various measures; however, these need more profound studies and/or pilot programs, in order to determine whether they are feasible. For instance, Peru is looking at:

- Minimum efficiency standards for new cars, as they have been implemented in other Latin American countries
- Launch the work on the establishment of a technology center for climate and energy issues for the Pacific Alliance.

For the long-term Peru is strengthening its capacity for strategic planning in the energy sector. This is necessary to prepare for the challenges that increasing shares of renewable energy and the trend to promote energy efficiency pose for the future energy system.

The Peruvian energy sector is action oriented and the Peruvian government will use this document to engage them. By presenting concrete proposals and policy measures and showcasing how to engage civil society, Peru hopes to set a good example that countries can follow with their work for the establishment on the energy part on the intended national determined contributions (iNDC). Engaging civil society, looking for creative solutions and showing leadership is the least that Peru can do to ensure the wellbeing of future generations.