Project implementation and lessons learned from GEF-6 SCIP and design of GEF-8 in Peru

Hernán Ernesto Tello Otrera, IDB Tony Nello, IUCN







THE REAL PROPERTY OF THE PERSON



PERÚ





Overview:

National Platform for Sustainable Cities and Climate Change in Peru (GEF-6)

OBJECTIVE:

Establish and implement a Sustainable Cities and Climate Change National Platform in Peru, starting with Lima Metropolitan Area (LMA) as a pilot.

Focus areas:

- Ecosystems' conservation.
- Climate change adaptation.
- Territorial planning.
- Transit-oriented Development.

Component 1 Sustainable Urban Planning and Management

Component 2 Water Resources Management

Component 3 Ecosystem services and urban biodiversity

Component 4 Transit-oriented Development

Component 5 Capacity Building and partnerships







Project's contribution to AML's sustainable urban development

A deeper and more comprehensive understanding of the metropolis in its various components (natural areas, transportation systems, housing, climate, risks):

- Studies on urban footprint and disaster risk
- Climate risk assessment of the coastal edge
- Characterization of urban
 ecosystems and biodiversity
- Analysis of the integrated transportation system with a DOT approach



Project's contribution to AML's sustainable urban development

Action plans, guidelines and urban planning instruments to accelerate sustainable and low-carbon urban transformation:

- The first urban biodiversity and ecosystem services strategy for Lima and Callao
- Guidelines for the design of local climate change plans
- An action plan to enhance the Surco and Huatica irrigation canals
- 8 Master plans to promote urban regeneration and strengthen integration through the transportation system in strategic areas of the city
- The first financial models for the implementation of land value capture instruments in Peru in areas with high transformation potential
- A portfolio of 10 public investment projects (35 million US dollars).





Project's contribution to AML's sustainable urban development

Innovative tools to drive adaptive management of potable water services:

- Water demand and supply models based on HydroBID
- A decision support system for the water supply network that integrates with climate prediction systems, population demand data, and generates forecasts

A geographic information system that presents urban and environmental indicators about the city and facilitates access to the newly-generated knowledge





Insights from Peru's GEF-6 Project

Understanding institutional arrangements is crucial. Peru has been implementing a decentralization process since the early 20th century that is still ongoing, which affects the capacity for financing action of local governments and requires multiscale coordination to achieve results. The Ministry of Environment needs to position itself as a key player in urban sustainability, making the participation of the Ministry of Housing essential.

It is important to analyze how territorial fragmentation could shape the transformation agenda within cities. In Peru, there are two levels of local governments: provincial and district. Adopting initiatives requires identifying the limits and opportunities of working with both scales.

Project governance must be associated with the sustainability of results. The project's advisory committees were spaces that favor the appropriation of products and active participation of state actors. However, spaces are needed to assume binding agreements and articulate with other existing initiatives, whether from the private sector or academia.



Insights from Peru's GEF-6 Project

The stability of technical teams inside and outside the project contributes to the appropriation of results. A stable coordination team should be established, and commitments should be made with state actors to ensure sustained participation of their officials. Adaptive management for various contexts should be implemented from the start of execution.

Capacity development is a significant investment. The consolidation of the project's initiatives and proposals requires a group of professionals capable of adopting and implementing them. In this sense, training programs should be closely linked to generating the knowledge and skills necessary for the sustainability of results.

From plan to action: there is a great need to articulate territorial planning systems with public investment systems. Public financing mechanisms should become levers for the sustainable transformation of cities.





GEF 8 SC project in Peru: Promoting resilient and inclusive sustainable cities in Lima-Callao, Ica and Huancayo

Ministerio del Ambiente

IUCN

- Political Partner
- Implementing Agencies
- Budget: 13,3 millions USD
- Geographical focus: Lima-Callao metropolitan area, Ica, Huancayo
- Problems targeted: rapid, unplanned urban expansion, challenging inter-institutional coordination, and environmental degradation in the three cities facing water stress, ecosystem loss, air pollution, heat vulnerability, and limited access to sustainable infrastructure and green public spaces.





GEF8 Project preparation in Peru

- **Consultancy** to support PRODOC development (9 months)
- IUCN Project coordinator and liaison officer based in Peru
- Staff of IDB in Peru and IUCN regional offices
- Field visits and meetings with local governments representatives in Lima-Callao, Ica and Huancayo
- Inception workshop in Lima
- Field visits for ESMS screening
- Additional consultations to Ministry of Environment and Civil Society organizations, and bilaterals with other key stakeholders.
- Validation workshop







Challenges Faced During Project Preparation & Mitigation Measures

 Delayed consultant procurement: Recruitment of technical consultants and national liaison officer took 4 months, compressing the timeline for documentation.
 Mitigation: Streamline internal procurement processes and initiate early recruitment planning in future phases.

•State of emergency in Huancayo: Heavy rains disrupted mobility and delayed planned activities.

► *Mitigation*: Integrate climate contingency planning and flexible scheduling into project workflows.

•Jauja airport closure: Runway maintenance led to postponed field missions and delayed local engagement.

► *Mitigation*: Diversify access strategies (e.g. alternative transport routes) and strengthen remote coordination tools.



Setting Up for Success — Key Outcomes from the Design Phase

•Context-specific planning: Enabled the identification of differentiated urban challenges and development stages in Lima-Callao, Ica, and Huancayo, allowing for tailored interventions responsive to each city's realities.

•National coordination: Fostered inter-ministerial collaboration between environment and urban development sectors, paving the way for a whole-of-government approach and stronger policy alignment.

•Local governance engagement: Strengthned coordination with municipal governments, ensuring local priorities, capacities, and institutional dynamics are embedded from the outset.

•Inclusive stakeholder dialogue: Multi-stakeholder consultations built trust, surfaced diverse perspectives, and laid the groundwork for co-ownership and long-term commitment.

•Strategic project framing: The design phase supported clear articulation of theory of change, impact pathways, and investment logic—critical for mobilizing financing and cross-sector buy-in.





