

**Joint Statement
On Enhanced Cooperation
In Environment and Climate Change Issues
Between the Republic of Peru and Japan**

1. Recognizing that environment and climate change issues including global warming are problems significantly affecting the development of human society on a global scale;

Convinced that such issues deserve joint efforts at regional and global levels and that such efforts will have great significance for the sustainable development of the regions concerned and the world at large; and

In light of the spirit of international cooperation in global environment issues, including “the Johannesburg Declaration on Sustainable Development” issued at the 2002 World Summit on Sustainable Development;

The Government of the Republic of Peru and the Government of Japan (hereinafter referred to as “Both Sides”) shared the determination to further enhance mutual cooperation in environment and climate change issues.

2. Both Sides, in addressing environment and climate change issues including global warming, confirmed their intention to focus particularly on the following areas, and to remain firmly committed to and support the relevant international frameworks:
 - (1) Mitigation measures such as curbing greenhouse gas emissions and conserving forests and soils;
 - (2) Adaptation measures in such fields as disaster risk reduction, water management and sanitation, and irrigation;
 - (3) Measures against pollution problems such as air pollution and mining-related pollution;

3. Both Sides shared the view that Peru's and Japan's expertise and experience could play a crucial role in addressing the above issues and that cooperation between the two countries would serve both the regions concerned and the world at large. Both Sides also recognized the need to deal with environment and climate change issues within the context of entire economic policies including energy, industry and agriculture.
4. Regarding the above, Both Sides acknowledged the importance of taking concrete actions and measures at all levels and to enhance international cooperation to achieve the objectives of sustainable development. From this point of view, Both Sides identified the following priority areas for their future cooperation:

- (1) Climate Change

- (a) Establishment of a framework beyond 2012

Both Sides reiterated that climate change poses serious risks and challenges and therefore demands urgent global action and response. Both Sides also confirmed that Peru and Japan will work closely to ensure the success of the processes under the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, aiming to reach an agreed outcome in 2009 and to establish an effective framework beyond 2012 with the participation of all countries in accordance with Bali Action Plan.

Both Sides reaffirmed the principles of Rio Declaration on environment and development and the UNFCCC, particularly the principle of common but differentiated responsibilities and respective capabilities. Both Sides also highlighted that efforts to address climate change will be fruitless without effective measures on all of the four building blocks of the Bali Action Plan, namely, mitigation, adaptation, technology development and transfer, and financial resources and investment.

Both Sides recognized the importance of the Japanese proposal of "Cool Earth 50" initiative presented in May 2007, as a policy input for the processes under the UNFCCC and the Kyoto Protocol.

Prime Minister Fukuda explained to the Peruvian side on the "Cool Earth Promotion Program" presented to advance the above

proposal on the occasion of the Annual Meeting of the World Economic Forum in Davos in January 2008. The Peruvian side welcomed the Japanese side's determination to tackle the issue, along with other major emitters, with a quantified national target for the greenhouse gas emissions reductions. The Peruvian side welcomed the Japan's idea of the bottom-up approach, which uses scientific and transparent measurement including energy efficiency and the technology to be in use in subsequent years in order to ensure rationality and objectivity. The Peruvian side also recognized the importance of reviewing the base year from the standpoint of equity. Also Both Sides reaffirmed the necessity of peaking out global greenhouse gas emissions in the next 10 to 20 years, considering the principle of common but differentiated responsibilities and respective capabilities. Both Sides shared the view to build a low carbon and low disaster risk society in each country.

The Japanese side recognized that Peru has urgent and immediate adaptation needs in various areas, and in that regard reaffirmed the necessity to enhance its bilateral cooperation to support its adaptation efforts.

In light of the above, the Japanese side expressed its intention to support Peru, in line with Japan's proposal, on the establishment of Cool Earth Partnership.

(b) Climate Change Management: adaptation and mitigation

(i) Clean Development Mechanism (CDM)

Both Sides reaffirmed the usefulness of CDM and confirmed their intention to further enhance mutual cooperation in this field through the utmost use of "the Arrangement of Administrative Cooperation on CDM Promotion" of September 2005 among the Japan Bank for International Cooperation (JBIC), the Peruvian National Environment Fund (FONAM) and the Peruvian National Environmental Council (CONAM), as well as the financial assistance scheme including CDM projects established in September 2007 between JBIC and the Financial Corporation for Development (COFIDE). The Japanese side expressed its

intention to provide Peru with human resource development training for “the Promotion of formulation of CDM project”, which is linked to the on-going “Project of Capacity Building for Development of New CDM Projects” implemented by the Japan International Cooperation Agency (JICA). The Peruvian side expressed its appreciation for such assistance from Japan.

(ii) Sustainable Forest Management

Both Sides recognized that forests provide multiple economic, social and environmental benefits and emphasized that sustainable forest management contributes significantly to sustainable development and poverty eradication. Both sides reaffirmed also the importance of the functions of forests in terms of, among others, mitigation of climate change and conservation of biodiversity. In this regard, Both Sides noted the critical importance of combating illegal logging and its associated trade. Both Sides reiterated its intention to make active efforts in this field, and the Peruvian side acknowledged the valuable support provided by the Government of Japan in supporting its national forestry policies, in particular through the International Tropical Timber Organization (ITTO). The Japanese side recognized the efforts by the Peruvian side to promote sustainable management of forests and Both Sides expressed their intention to continue to work together through ITTO.

Both Sides shared the importance of the earliest entry into force of the International Tropical Timber Agreement 2006 (ITTA 2006), which will encourage the expansion and diversification of international trade of tropical timber from sustainably and legally managed forests, and also will promote the sustainable forest management of tropical forest.

(iii) Promotion of Clean Energy Utilization and Energy Efficiency and Conservation

Both Sides reaffirmed the importance of promoting the use of clean energy such as geothermal power, solar power, wind power, hydro power, natural gas and biofuels as well as further improving efficient energy utilization. In particular, the Peruvian side expressed its appreciation for the research aimed at promoting geothermal power generation as well as the research on the use of

renewable energy sources in Peru, conducted by Japan. Both Sides recognized the fundamental role that energy plays in poverty reduction strategies and in enhancing sustainable development and highlighted the importance of promoting policies aimed at facilitating the access to energy for poor people, in particular in the rural sector.

Both Sides shared the intention to work together to strengthen their bilateral cooperation aimed at promoting the diversification of the energy matrix, emphasizing the use of renewable energy sources, and improving energy efficiency in households, industry and transport sector.

Both Sides also recognized the necessity of promoting developing countries' access to cost-effective cleaner and modern energy technologies. Both Sides emphasized the urgency of having effective mechanisms that would allow the removal of the obstacles that block the diffusion of such technologies, in particular the financial barriers.

In order to improve energy efficiency and conservation, Both Sides confirmed the significance of voluntarily setting goals, formulating action plans and considering the introduction of an energy peer review mechanism to monitor progress, as decided in the eighth Meeting of APEC Energy Ministers held in Darwin, Australia, in May 2007.

(iv) Disaster Risk Reduction

Both Sides stressed that the management and reduction of risk to disasters continue to pose challenges to sustainable development and poverty reduction strategies. In that regard, Both Sides reiterated the importance of reducing physical, social, economic and environmental vulnerabilities.

Both Sides recognized that disaster risks must be systematically integrated into policies, plans and programs for sustainable development and poverty reduction. Also Both Sides recognized the importance in building resilience of nations and communities through enhanced national and local capabilities to manage and reduce risk. In this context, Both Sides reaffirmed their support to the "Hyogo Framework for Action 2005-2015".

Both Sides recognized the necessity of establishing disaster risk strategies to cope with all natural hazards and of strengthening existing national capacities in that regard.

(v) Water and Sanitation, and Irrigation

Both Sides recognized the importance of the issue of “water”. Both Sides expressed their concern about the decline of Andean glacier and extraordinary weather caused by climate change, which could lead to increase in number of disasters and serious impact on water and sanitation, and irrigation. Both Sides reaffirmed the significance to take effective counter-measures on this issue.

Both Sides also recalled the “International Year of Sanitation 2008” and expressed their willingness to take the opportunity of commemoration to increase awareness of the importance of sanitation and to promote international cooperation in support of the national efforts to provide access to safe drinking water and adequate sanitation.

The Peruvian side highly appreciated the Japanese side’s assistance to support Peruvian side’s various efforts including its “Water for All” Initiative to ensure safe drinking water in Peru, referring to the recently approved Japanese technical cooperation project, “the Project for Institutional Reinforcement of Water Supply and Sanitation in Northern Area of Peru” and to the Japanese ODA loan projects pledged on the same day, “North Lima Metropolitan Area Water Supply and Sewerage Optimization Project (I)”, “Iquitos Sewerage Improvement and Expansion Project” and “Cajamarca Water Supply and Sewerage Improvement and Expansion Project”. In addition, the Peruvian side expressed its appreciation for the Japanese side’s assistance to “Irrigation Sub-sector Project”.

(2) Measures Against Pollution


(a) Mining-related pollution

Both Sides recognized the importance of sustainable mining. The Japanese side expressed its intention to extend active support for Peruvian efforts in preventing mining-related pollution.

(b) Co-benefits approach

The Peruvian side reaffirmed its determination to give priority to addressing the problem of air pollution based on the co-benefits approach. The Japanese side shared the intention with the Peruvian side to work together in promoting the co-benefits approach, considering the effectiveness of integrated approaches in such areas as environmental pollution and climate change.

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