

# Water for Growth, People and Environment

## Peru



### Focus Areas

- Water supply is erratic and aquifers are rapidly becoming depleted and saline in the Pacific coastal strip and Lima due to rapid urbanization and economic growth.
- Conflicts over water issues around major development projects continue, hindering investment in the country.
- Water use in many coastal catchments is unsustainable.
- In some key agricultural areas, aquifers may dry up within a decade.

### The Challenge

- Most of Peru's industry and 70 percent of its population are located in the arid desert regions of the Pacific coast.
- Water shortage may worsen due to the rapid melting of tropical glaciers in the Andes as a result of climate change.
- Urbanization in Lima, sustained economic growth, and rising per capita water use are placing additional strain on existing water resources.
- Pollution from untreated domestic discharges, informal mining operations, and other sources are further compromising water quality, making 60 percent of the country's water resources "unusable".

### Results and Outcomes

The Peru 2030 WRG Partnership consists of more than 70 institutions participating in working groups and initiatives for the sustainable management of water, including high-level members from the private and public sectors. The new chair of the country's 2030 WRG Steering Committee has been appointed by the President of Peru. The 2030 WRG Steering Committee also includes five ministers who lead the implementation of key water resources initiatives:

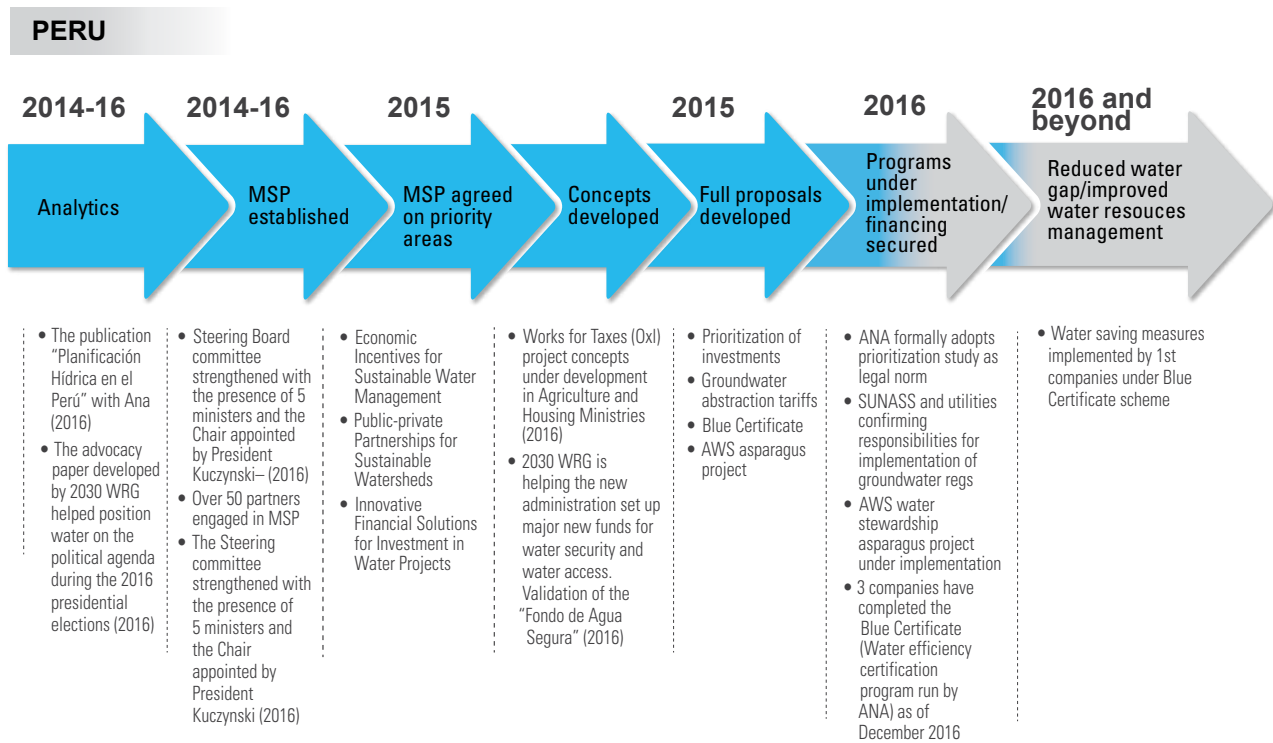
- The *Obras por Impuestos* (Taxes for projects) mechanism encourages public-private partnerships. Companies may use up to 50 percent of their due to be paid to the government to implement agreed public works in areas of need, including in the water sector. 2030 WRG has

been working with the Ministry of Housing and Agriculture to identify the best investment opportunities, and contracting Acceleration Consultants for water capacity building.

- Companies have signed up to the government’s “Blue Certificate” initiative, provides recognition to companies that measure and reduce their water footprint. A first company has already received the Blue Certificate, and eight more companies are expected to obtain it by the end of 2017.
- The 2030 WRG is helping the new administration set up a system to validate innovative proposals with additional funding to reduce the water gap. The working groups, including partners from the private and nongovernmental sectors, provided feedback to government authorities as they prepared a new fund called Agua Segura (Secured Water).
- In the agricultural sector, the 2030 WRG is working together with the Alliance for Water Stewardship (AWS) to implement their standards in Trujillo, a major city in the northern part of Peru. The alliance brings together small and large local

producers of asparagus and their European clients, helping the sector to use water as efficiently as possible.

- The 2030 WRG is also helping SUNASS enact new regulations whereby industrial users pay a levy to use groundwater in Lima and La Libertad.
- Since the beginning of 2017, the Steering Committee decided to establish six new working groups:
  1. Water Works for Taxes
  2. Groundwater management
  3. Water Responsible Companies
  4. Water governance and dialogue processes
  5. Promotion of public policies around water
  6. Water stress and adaptation to climate change.



## Who We Are

The 2030 Water Resources Group is a unique public-private-civil society collaboration. We facilitate open, trust-based dialogue processes to drive action on water resources reform in water stressed countries in developing economies. The ultimate aim of such reforms and actions is to close the gap between water demand and supply by the year 2030.

## Our Mission

If countries maintain a business-as-usual approach to managing water, we can expect a 40 percent gap between fresh water supply and demand by 2030. Our mission is to help countries achieve water security by facilitating collective action between government, private sector and the civil society.

## Contact

Cesar Fonseca | Country Representative Peru | [cfonsecasarmient@ifc.org](mailto:cfonsecasarmient@ifc.org)  
[www.2030wrg.org](http://www.2030wrg.org)