

CONFERENCE CLOSING COMMENTS

Dr. Paul Remy Oyague – Environment National Commission (CONAM)

Good afternoon ladies and gentlemen, there has been very nice of you to allow me to be with you this afternoon, I will take the risk of making myself some comments by not have been with you the past two days, but I have luck of not having a panel after my intervention, so perhaps my words will pull on to your ears. I have some ideas to share with you with the expectancy that this event as I have seen it the last few minutes, because I know the people that are working and the subject to share with you, some reflections I think are extremely important subjects.

First idea is that RAPS, the technology, the energy for the rural areas is very valuable in itself. Let's for a while forget about its connection with a development mechanism. RAPS in itself is extremely valuable, because any investment in the poor areas is an environmental investment every time I provide water for poor population, every time I feed it better, every time I give it better education, every time I improve its human capital, we are making environmental investment, because poverty is the saddest of the environmental impacts, so this line that is environmental investment when you have a poverty investment or social investment, every investment in poverty is an environmental investment, and the investment of energy in the zone areas by definition are poor in Latin America, in Peru and in the world is an environmental investment, the other thing, is that, the case that we are seeing in Peru, there is a potential for application that is very valuable, but the market is very small and I have heard that it is very complex to sell renewable energy in markets, such as the Peruvian, Latin America one, but the connection is very important productive in added value between the private sector, lead refined-manufacturer, it makes a business to be a reality with a positive environmental result, I think the private part is fundamental.

Precarious State, by definition, confused many times, it has to be a factor that contributes to free processes on which NGO are involved and I told that the topic of RAPS with CDM would be taken with seven levels of separation. I think that the carbon issues scale, as a consequence of actual energies in rural areas continue being a small scale, even more, if the almost global tendency is that rural zones be reduced to people, and increase the urban areas, the growing of cities, but the most important is that the concept of weather changes are annex 1 countries, the ones that have to reduce issues, a country like United States issues 25% of the world total, Africa as a continent issues 3% and the annex 1 group developed countries issues 65, 75, 80%.

In such a way, let's not forget that the load treatment of weather changes and it is not the mechanism of clean development is an innovative, ingenious, and auspicious process to look for growings in less developed economies, that do not repeat pollution curves through which the reduction of issues is done cheap in developed countries. That is important, I think we have noticed it in the last months worldly in The Haya Conference. Finally, it is hoped that Kyoto Mechanism, but it didn't stand the attention among countries, looking for making very cheap issues out of its frontiers via CDM. The developing countries look for raising the price and demand conditions every time stricter in order to be an opportunity for them. I think there is going to be CDM, and thus, is not going to be the same to the one that we were conceiving, so it is important to take in count it. What we have to consider is that the refinancing will continue and the sophistication of mechanisms of measurements that aim to take reduced carbon out in any part of the world, and that is a tendency that CDM can be an disturbing element in the great act of conceiving of the treatment, that is the reducing of CO2 of the countries of Annex No. 1.

But, finally, I think and this is the reflection, I also want to share with you, CMD is going to exist, it has an optimistic view about the subject, I think what happened in The Haya months ago has not been a step ahead, it has been a staying in the same position, but it is going to force to the International Community to reflex and what certainly requires in every country like Peru.

Here I talked to my fellows, for this, it is required 10% of inspiration and 90% of perspiration. In other words, the work of measurements of the issues is done I think and the work of options and mitigations is done, so the work of understanding, where we have competitive advantages for the effects of incorporate ourselves to the CDM system is done, now we must agree and make the projects, and I think that we have a threat that has to be reverted on the national perception about the subject. and is as follows:

We can make CDM with energy, with transportation, industries, and woods, potentially, complex subject, but the four options cards are there.

The competitors of Peru with CDM are its neighbors naturally, I would like that they are the last to know my projects, because who must know them are my potential buyers, there is annex 1, but State itself is jealous in sectors, among agriculture, transportation and energy sectors, because they notice that a pro-wood project take them out space to a pro-industries project, we have an interstate competition that force to a more corporative perspective of State.

Page 3

State must break its nucleus in the sense that it must be more coordinated and to make several options that permits the best for the country, further of the best of each sector. I think is an obligation to understand the subject of CMD as a pressure mechanism of the State reform, that is not getting yet, but I think it is where all the roads cross in environmental subject, education subjects, economic growing subjects, country competitive subjects, health subjects, and the poverty, the State reform, in that sense, I finally think, the environment is a chance and this event contributes to a thesis strongly. You have the chance, and said by the managers is worth much more, more than said by the environmental authorities, in that sense, I extend a deep and warm, congratulation to the organizers and I think it is a extremely valuable contribution for the country, and I think our existence includes much more of our frontiers. Many Thanks.