Peru is committed to reducing greenhouse gas (GHG) emissions from deforestation and agriculture, and promoting low-emissions agricultural development. To that end, it is necessary to tackle challenges related to the identification of agricultural management practices that improve productivity and reduce their contribution to GHG emissions.

Within the framework of the Joint Declaration of Intent (JDI) for delivering on the goals of the Nationally Determined Contributions (NDCs) relating to reducing deforestation and GHG emissions, the Government of Peru seeks to establish public-private partnerships to facilitate adoption of sustainable practices in prioritized production systems with the aim of increasing productivity in deforested lands and reducing the pressure of agriculture on forests. With this in mind, the idea is to forge partnerships around commitments to zero deforestation and business models leading to environmental, financial, and economic sustainability to improve land-use systems.

**Project description**

The “Business models to address drivers of deforestation in Peru” project will develop zero-deforestation, low-emissions business models for the oil palm and cacao value chains in the Peruvian Amazon. The project’s strategic partners will be actors interested in value proposals involving commitments to reducing GHG emissions from deforestation and forest degradation, while promoting sustainable use of cropland. The project aligns with the environmental and development goals of the national government and the subnational governments in the Amazon.

The proposed project activities include the following:

- Analysis of the context specific to deforestation drivers
- Assessment of GHG emissions in prioritized value chains
- Design of zero-deforestation business models
- Evaluation of business models in regards to their potential for economic, environmental (GHG emissions reduction), and social benefits
- Development of plans for implementing zero-deforestation business models
- Development of strategies to scale out and finance zero-deforestation business models
Project components

1. Characterization, analysis, and re-design of strategies for zero-deforestation value chains
2. Design of productive alliances for zero-deforestation, low-carbon business models
3. Implementation of zero-deforestation, low-emissions business models
4. Strengthening of capacity and dissemination of results

Outputs

Strategies for oil palm and cacao value chains, jointly developed with stakeholders, containing a shared vision around commitments to zero deforestation and low-emissions development.

At least two zero-deforestation business models implemented for oil palm and cacao.

This project is part of the International Climate Initiative (IKI). The German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) supports this initiative based on a decision made by the German Bundestag. It will bring together the expertise and capacity of two CIAT research areas: Agroecosystems and Sustainable Landscapes (ASL) and Decision and Policy Analysis (DAPA), within the framework of the CGIAR Research Program on Water, Land and Ecosystems (WLE).

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