

CLIMATE CHANGE LEGISLATION IN

Guatemala

AN EXCERPT FROM

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A Review of Climate Change Legislation in 99 Countries



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Guatemala

Legislative Process

The legislative process is defined by the 1985 Constitution, amended in 1993 by referendum. Guatemala has a unicameral legislative system, with legislative power delegated to the Congress of the Republic. The 158 Members of the Congress are directly elected through universal suffrage for a four year term, with possibility of re-election. The most recent election was held in 2011, with the next scheduled for 2015.

The right of legislative initiative is attributed to members of Congress, executive bodies (the President), the Supreme Court of Justice, the Supreme Electoral Tribunal, and the University of San Carlos. Proposals are submitted to the legislative direction of the Congress and then addressed to a working committee. Following recommendation of the committee, the draft text is discussed at the plenary session, requiring three separate reading sessions. General laws require a simple majority of votes to be approved, but there are exceptions of decrees that may require higher majority of votes.

A bill passed in the Congress requires presidential assent and publication before it is enacted. After the process in the Congress is successfully concluded, the draft is submitted to the government. If it is sanctioned by the president, the law comes into force after being published in the Official Gazette. In the case of presidential veto, the Congress can overturn the decision by a two-thirds majority of votes and send the new law for publication in the Gazette.

Approach to Climate Change

Responsible for less than 0.1% of total global GHG emissions, Guatemala is extremely vulnerable to climate change. In the first (and so far only) national communication to the UNFCCC, issued in 2001, Guatemala highlighted the use of fossil fuels for electricity generation and land use and forest activities as the two largest contributors to the country's GHG emissions (together 90% of total emissions). To 2050, the document identified the highest risks of climate change as temperature increases; precipitation reduction; expansion of semi-arid areas; and sea level rise.

Since the agreement of the Kyoto Protocol in 1997, Guatemala has set up an institutional and legal framework on climate change, with the Ministry of the Environment and Natural Resources (MARN) taking the lead.

In 2001 the Ministry created an internal unit to address climate change, highlighting the higher profile of climate change in the political agenda. Ever

since, the national government has adopted a comprehensive range of policy and other instruments to create a solid political and legal framework to support the response to climate change.

MARN also has responsibility for policy on the Clean Development Mechanism (CDM) and created the National Clean Development Mechanism Office in 2005. The primary objective of the office is to co-ordinate national measures to implement the instruments and policy guidelines from international conventions and national policies that relate to sustainable development.

In 2008, MARN adopted the National Climate Change Programme to support the ministry in implementing measures adopted under the UNFCCC agreements and other climate related issues. The general objective of the Programme is to promote national, regional and local policies oriented towards reducing the impact of climate change, as well as measuring and reducing GHG emissions.

The 2009 Climate Change National Policy is the core policy document on climate change. It outlines legal and political basis and sets up the guidelines for the development of national adaptation and mitigation policies. Other policies also support climate change mitigation, such as the National Cleaner Production Policy (2010) and the National Biodiversity Policy (2011).

In late 2013, Congress adopted the Framework law to regulate vulnerability reduction and obligatory adaptation to the effects of climate change and the mitigation of GHG emissions (Climate Change Law). It has established the National Council on Climate Change, a collegial advisory body with public and private participation presided over by the President, which became active in June 2014.

Energy Supply

The current electricity generation mix is around 50% renewables and 50% fossil fuels. The last two decades of economic growth have been largely supported by energy produced from fossil fuels, including, for the first time, coal. In response, the new Energy Policy 2013-2027 (2013) aims to reduce dependence on fossil fuels to generate electricity by significantly increasing the production of renewable energy. The key targets for 2027 include: diversification of energy mix with an 80% renewable energy share target (including installation of 55MW solar capacity); 95% electrification of the country; and electricity exports of at least 300MW into the Regional Electricity Market, mainly to Mexico. Following the implementation of the Energy Policy, a number of projects have been developed, including the inauguration in May 2014 of the Sibó solar PV plant in the east of the country. The power plant – with its 5MW capacity – is one of the largest in Central America.

Energy Demand

The new Energy Policy 2013-2027 includes key targets on energy demand management and related implementation measures. The targets include: a) 25% energy savings in industry and commercial sectors, and b) reduction of firewood use through installation of at least 100,000 efficient stoves, 15% firewood use reduction in the industry sector, and substitution of firewood by other energy sources in 25% of households.

REDD+ and LULUCF

Guatemala has a comprehensive institutional setting responsible for the formulation and management of REDD+ and LULUCF policies. Co-ordinated through the Interagency Co-ordination Group, it includes: a) the National Forest Institute, an independent governmental agency that supervises implementation of the 1996 forest law and promotes research and activities to develop the sector; b) the National Council on Protected Areas; c) the Ministry of Agriculture, Livestock and Food; d) Ministry of the Environment and Natural Resources. The 'Climate, Nature and Communities in Guatemala' project, financed by USAID up to USD25m for 2013-2018, will spend USD5m on REDD+ activities. Since September 2014, Guatemala has been part of the Bonn Challenge and plans to restore over 1.2m ha of forests in valuable areas and more than 5m ha in total. Through other reforestation and conservation activities, it hopes to reduce carbon emissions by 17m tons between 2016 and 2020.

The National Forest Action Plan provides institutional support for the development and assessment of forest-related laws and the Climate Change law includes an article focusing on reduction of emissions from LULUCF. A new PROBOSQUE Law is being considered as continuation of the current forestry incentive programme - PINFOR (which runs until 2016 and includes legal support for small forestry or agroforestry landholders). The PROBOSQUE programme should run for 30 years and seeks to improve compliance with the regulatory and institutional regime, and speed up reforestation and conservation of forests. In addition, the Strategy for Sustainable Uses of Firewood (2013) focuses on reducing firewood consumption in the country (currently around 57% of energy use) and sets the target of cutting the use of firewood by at least 10% by 2020, both through consumption reduction and development of 'energy forest plantations'. Guatemala also has a Strategy to Combat Illegal Forest Activities and is considering the development of specific regulation for REDD+.

Adaptation

The Global Climate Risk Index 2014 ranks Guatemala among the 10 countries with the highest risks for 1993-2012. The risks include severe flooding in the low areas, prolonged droughts particularly in the 'dry corridor', and increased vulnerability of crops to rainfall variability and diseases. Guatemala has not yet adopted a separate national adaptation policy, although adaptation priorities have been identified in a series of official documents. For example, the Integrated Management of Marine Coastal Areas of Guatemala National Policy

(2009) has the reduction of vulnerability in the coastal areas as one of its nine strategic directions.

Several adaptation measures are being implemented and the climate change law mandates the creation of a National Action Plan for Adaptation and Mitigation to be developed within a year.

With the assistance of multilateral organisations, such as the World Bank, the Inter-American Development Bank (IDB), the UNDP, and other external donors, Guatemala has successfully developed projects that increase the government's capacity to respond to climate-related natural disasters (capacity building) and assist with development of clean energy, especially in isolated areas (e.g. the above-mentioned 'Climate, Nature and Communities' project). Guatemala has recently assumed the 2014-2016 presidency of the Coalition for Risk Management in Central America, which was created in response to climate change-induced natural disasters, such as Hurricane Stan in 2005. During its presidency, Guatemala aims to concentrate on sharing national experiences for the development of regional policies to reduce natural disaster risks.

Guatemala: Legislative portfolio

Name of law	Framework law to regulate reduction of vulnerability, mandatory adaptation to the effects of climate change, and the mitigation of greenhouse gas effects (Decree of the Congress 7-2013)
Date	05 September 2013
Summary	<p>The primary objective of the law is to provide an immediate and co-ordinated response to climate change, in part through the establishment of the National Council of Climate Change presided over by the President of the Republic, and the development of a national adaptation and mitigation plan, as well as institutional adaptation and mitigation strategies in all public institutions. The law also delegates responsibility to the various governmental agencies to develop and implement climate change policies within specific areas that will ultimately address: carbon emissions generated by land use and the energy sector; the creation of a carbon market; increasing public awareness and participation; public financing; and development of climate-related policies.</p> <p>It further establishes the national climate change information system and the national climate change fund to finance projects that address risk management, adaptation and/or mitigation (with 80% of the fund dedicated to risk and vulnerability management and adaptation). The law finally asks the government to adopt regulation of carbon emissions from public and private activities in the transportation sector. It also evokes the creation of a national energy plan that focuses on the development of renewable energy.</p>

Name of law	Law on Incentives for Development of Renewable Energy Projects (Decree of the Congress 52-2003)
Date	10 November 2003
Summary	<p>The law aims to promote the development of renewable energy projects and establish fiscal, economic and administrative incentives for the sector. It designates the Ministry of Energy and Mines as the body responsible for creating an inventory of renewable resources that can be used to generate energy. In addition, the ministry should also encourage research in this area and facilitate the certification process.</p> <p>Energy producers will be granted a certification of emission reduction that is expected to enhance trade of renewable energy. Related regulation declares the rational development of national renewable energy sources as a key and urgent national interest and provides economic incentives for duty-free import of machinery and equipment for renewable energy and a 10-year exemption from income tax and the tax on commercial and agricultural enterprises.</p>

Guatemala: Executive portfolio

Name of Policy	Energy Policy 2013-2027
Date	2013
Summary	<p>The Energy Policy 2013-2027 updates the Energy Policy of Guatemala (2008). Its main aim is to “strengthen the country’s competitiveness, and guarantee efficient and sustainable supply and use of energy resources”. Responding to the continuous rise in the share of hydrocarbons in energy use since 1990, the policy prioritises the development and use of renewable energy sources and greater interdepartmental and international co-ordination for more efficient and sustainable energy supply and use.</p> <p>The policy identifies a great untapped potential for renewable energy production in Guatemala, including 6,000 MW of hydropower (15% currently exploited), 1,000MW geothermal (5% exploited), 280MW wind, 5.3kWh/m²/day solar (isolated facilities, largest 5MW plant in Zacapa), and biomass (306.5MW currently exploited). Additional potential exists in further electrification of the country (85.6% in 2012).</p> <p>The policy is based on nine basic principles:</p> <ul style="list-style-type: none"> • Universal access to energy • Security of energy supply • Efficiency and competitiveness • Environmentally and socially sustainable development • Rational and efficient use of energy • Development in harmony with the environment • Long-term vision • Integrity • Continuity <p>The main objectives of the policy, besides the exploration and exploitation of oil reserves to secure energy independence, include:</p> <ul style="list-style-type: none"> • Secure supply of electricity at competitive prices (diversification of energy mix with a 80% renewable energy share target for 2027; additional 1,500km of transmission grid by 2027 to reach electrification of 95% of the country; export at least 300MW of electricity into the Regional Electricity Market, mainly to Mexico) • Secure supply of fuels at competitive prices (evaluate reserves of natural gas and construct at least one storage facility; improve administration capacity) • Energy savings and efficient energy use (25% energy savings in industry and commercial sectors by 2027)

- Reduction of the use of firewood (around 57% of energy use in 2012; put in use 100,000 efficient stoves to promote efficient use of firewood; reduce the use of firewood by 15% in the industry sector; increase by 10% the surface of 'energy forest plantations'; substitute the use of wood by other energy sources in 25% of households).
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Name of Policy	National Biodiversity Policy (Government agreement N.220-2011)
Date	7 July 2011
Summary	<p>The effects of climate change on biological diversity and the role of the latter in potential climate change mitigation and adaptation constitute one of the five axes of the National Biological Diversity Policy. Its objective is to “promote the use of biodiversity as a tool for strengthening the mechanisms for adaptation and mitigation of risks associated with climate change, as well as reduction of vulnerability of ecosystems, species and genes (...)”. The objective is to be reached by following five strategic lines:</p> <ul style="list-style-type: none"> • promote co-operation among national, subnational and international entities on research into biodiversity protection and sustainable use techniques that could contribute to climate change adaptation and mitigation • strategies of adaptation and reduction of vulnerability – identify measures for integrating the knowledge, innovation and traditional practices to limit climate change vulnerability • traditional knowledge and climate change – use traditional and local knowledge to identify climate change mitigation and adaptation measures • opportunities and benefits – identify potential benefits for biodiversity protection to be obtained through climate change mitigation and adaptation mechanisms (such as through the REDD+, payment for environmental services, carbon permits and others) • reduce emissions and vulnerability – reduce deforestation and forest degradation rates inside and outside of protected areas to reduce GHG emissions, as well as support other ecosystem services, such as water storage and supply regulation, reduction of risk of floods, landslides, desertification and erosion.

Name of Policy	National Cleaner Production Policy (Government agreement N.258-2010)
Date	September 2010
Summary	<p>It aims to support cleaner and more efficient production in all sectors in order to improve the country's competitiveness and environmental sustainability. Although not considering climate change mitigation as primary objective, the policy supports development of clean and more efficient technologies, mainstreaming of the cleaner production concept into national legislation, and calls for design of different incentives to support cleaner production, such as fiscal and financial incentives, efficient products purchase obligation, simpler administrative procedures for companies cooperating with the Cleaner Production Project, and others.</p>

Name of Policy	National Integrated Management of Marine Coastal Zones Policy (Government agreement N.328-2009)
Date	9 December 2009
Summary	<p>The Policy includes the precautionary principle as one of its guiding principles, aiming at reducing the vulnerability and promoting adaptation and mitigation measures in the coastal areas. Climate change is also one of its nine strategic directions, to be addressed</p>

through the following measures:

- Harmonise the National Climate Change Strategy with the National Marine Coastal Policy;
 - Develop networks of areas that increase the resilience of coastal and marine ecosystems;
 - Determine the limits of the Exclusive Economic Zone on both coasts (Pacific and Caribbean) to make them official under UNCLOS;
 - Identify and implement programs, projects and actions to prevent and reduce the socio-environmental vulnerability in coastal marine areas and monitor the impacts of and adaptation to climate change;
 - Identify the most vulnerable coastal marine areas, monitor the likely climate change impacts and prioritize mitigation actions;
 - Promote the Integrated Water Resources Management (IWRM) and Risk Management (GR), to increase resilience to extreme weather events affecting the population, given the high vulnerability of coastal areas.
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Name of Policy	Climate Change Policy (Government agreement N.329-2009)
Date	9 December 2009
Summary	<p>The Policy lays out the basis, objectives, entry points, guidelines and legal basis for national climate change adaptation and mitigation. It aims to develop climate change national capacities; promote vulnerability reduction and improvements in adaptation to climate change; and mitigate GHG emissions.</p> <p>To achieve these goals, the policy proposes measures to increase public awareness and technology and knowledge transfer, improving risk management and adopting adaptation measures. GHG emissions are addressed under a broad and comprehensive approach that suggests actions related to forest and waste management, energy production and consumption, financial mechanisms, and carbon market.</p>

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