



# GREEN BUILDINGS MARKET INTELLIGENCE PERU COUNTRY PROFILE



*Creating Markets, Creating Opportunities*

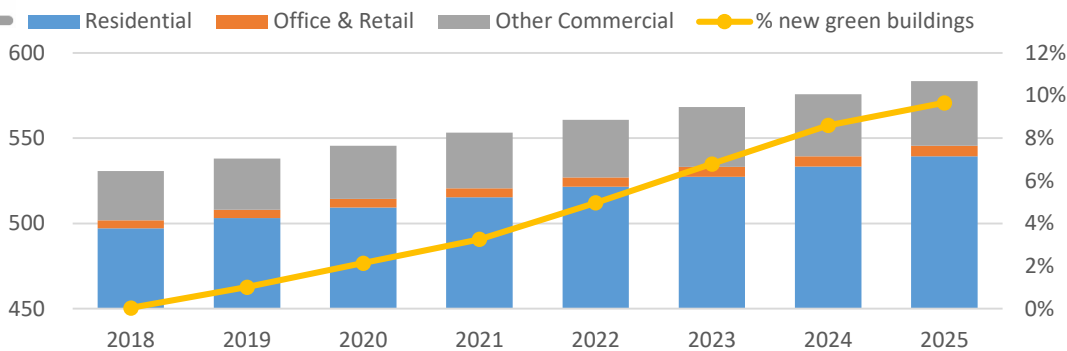


# PERU: COUNTRY SUMMARY

## MARKET GROWTH



Building Stock (million m2)



### Market through 2025

Commercial  
Residential  
Residential units

### Total market

USD 5B  
USD 48.5  
600,000

### Green market

USD 1B  
USD 2.3B  
40,000



## OTHER FACTORS

Fondo Mivivienda (FMV), which finances social housing, launched in 2016 a green building subsidy for 3-4% of the original home price



## GREEN BUILDING PROGRAM

Peru Green Building Council is an established member of World GBC.

Green is expanding with over 230 projects registered or certified.



## CLIMATE POLICIES (NDCS)

Peru has pledged to reduce its green house gas emissions by 20% below its 2030 baseline and 30% with international financial support



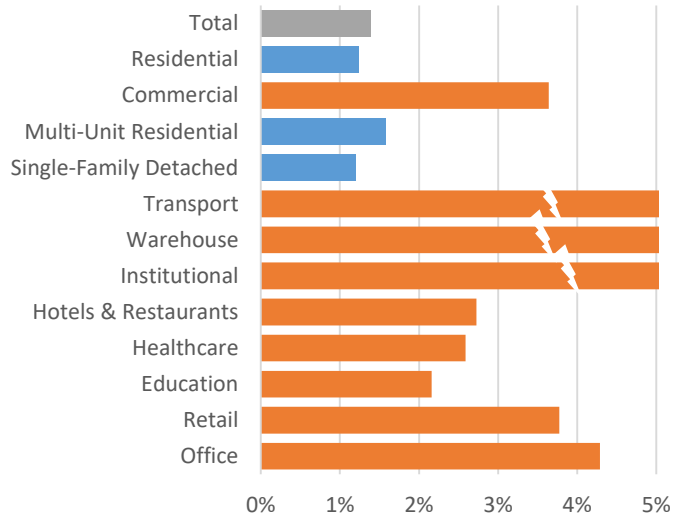
## MARKET STATUS

Substantial growth is expected, particularly in the commercial sector. Offices and logistics (warehousing and transport) are growing the quickest.



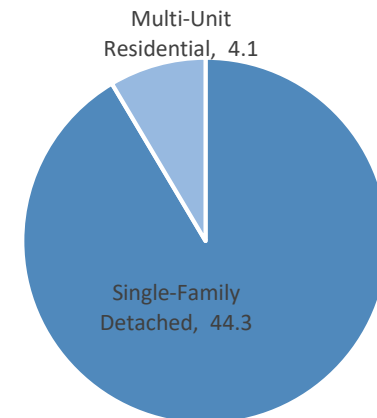
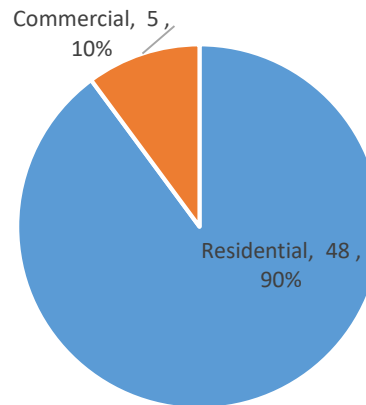
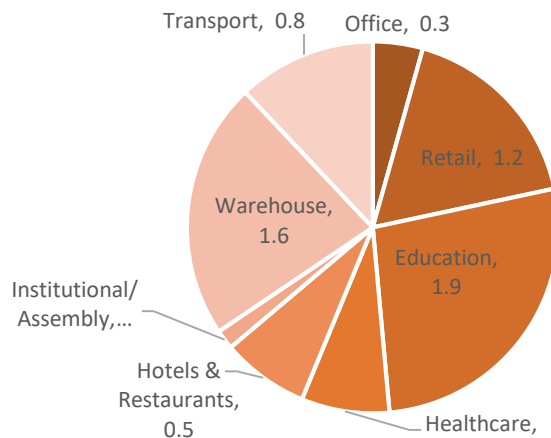
# SUBSTANTIAL GROWTH EXPECTED IN THE COUNTRY

## MARKET GROWTH BY SUB-SECTOR (CAGR)



- Peru's overall market growth is moderate at 1.4% CAGR but the commercial sector is growing fast.
- Some sectors are growing faster than others: for example, offices, transport, and warehousing.
- Residential market is growing slower but still leads in overall footprint, particularly with single-family housing.

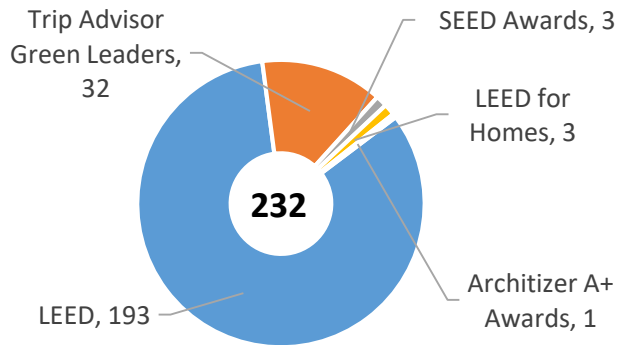
## TOTAL MARKET SIZE 2018-25 (USD BILLIONS)



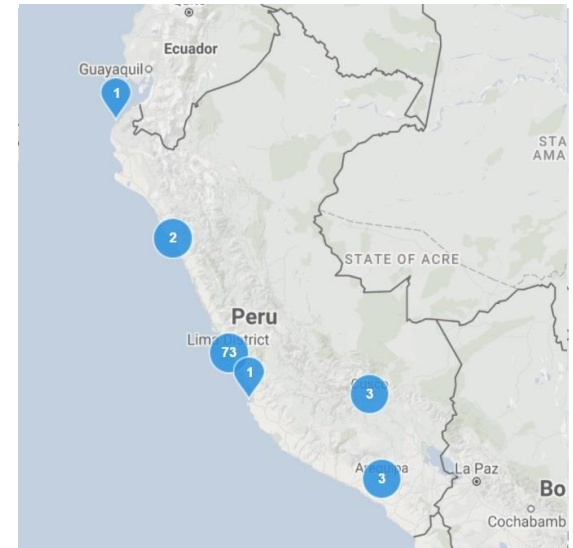


# GREEN IS EXPANDING OUTSIDE OF LIMA

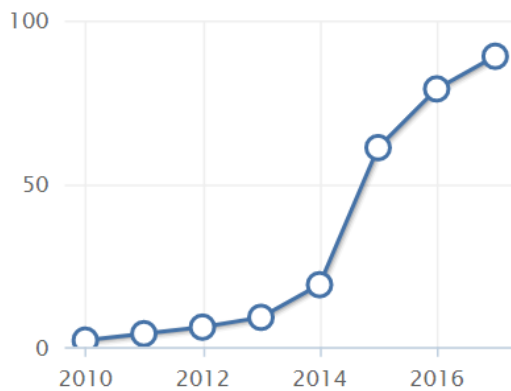
In 2017, Peru counted 232 published green building activities, including certifications and registrations.



Certified and registered buildings are located primarily in the country's capital of Lima, but are beginning to develop outside of the main urban center.



Cumulative activity count, by year:



Notable projects include:

Type	Name	Location	Investor
Industrial Manufacturing	Nave de Produccion Planta Pucusana	Lima	Planta Pucusana
Office	Torre del Arte	Lima	Urbanova Inmobiliaria
Retail	Saga Falabella Salaverry	Lima	SACI Falabella
Office	Torre Paseo de la Republica	Lima	San Miguel Inmobiliaria
Office	JDA700	Comas	Inmobiliaria Alcar SA
Lodging	Salabella Hotel	Cuzco	Minus
Office	Oficina Novo Nordisk	Lima	Novo Nordisk Pharma Operations



## GREEN MARKET IS PREDICTED TO GROW PARTICULARLY IN COMMERCIAL AND MULTI-UNIT RESIDENTIAL

- IFC's presence in the country and comprehensive green building offerings happening in neighboring countries should lead to fairly high green penetration.
- This is particularly the case in the commercial sector, where certifications are already happening and where the business case for green has been well documented.
- Green certification will be difficult in the single-family housing sector, where green penetration is forecasted to be lower.
- The weighted average of sector expectations produces a forecast of 10-15% green penetration by 2025.
- Continued evolution of easy-to-use tools like EDGE and simplification for single-family market could lead to greater proliferation of green certifications.





## PROGRAMS ARE SUPPORTING GREEN HOUSING

- Fondo MiVivienda Partnership with Inter-American Development Bank and originally developed with the French Development Agency.
- Sustainable Mivivienda Bond provides **additional financing** to families who opt for the financing of an **eco-friendly housing**.
- Families can subsidize the value of the home for an amount of between **3% and 4% of the original price**.
- 10,000 homes targeted in the initial program.

<http://www.mivivienda.com.pe>










## LEARN ABOUT EDGE CERTIFIED PROJECTS IN LATIN AMERICA



### EDIFICIO EDWARD

Quito, Ecuador

Predicted Savings of EDGE Certification:




-  38% Energy Savings
-  30% Water Savings
-  39% Less Embodied Energy in Materials



### DIPOA BUILDING

San José, Costa Rica

Predicted Savings of EDGE Certification:

-  32% Energy Savings
-  54% Water Savings
-  38% Less Embodied Energy in Materials

Access more case studies at <https://www.edgebuildings.com/projects/>





## PROJECTS CAN CHOOSE BETWEEN TWO EDGE CERTIFIERS FOR FAST, EASY, AND AFFORDABLE CERTIFICATION



CERTIFICATION	PRICE (PER M <sup>2</sup> , EXCLUDING PARKING)	MINIMUM
0-25,000 FLOOR AREA (SQM)	\$0.27	\$2,250
25,000-50,000 FLOOR AREA (SQM)	\$0.22	\$6,750
50,000-75,000 FLOOR AREA (SQM)	\$0.17	\$11,000

\*Price per m<sup>2</sup>; Project appoints an auditor



PROJECT TYPE	CERTIFICATION	DESIGN AUDIT	FINAL AUDIT	TOTAL
Residential (one unit type)	\$1,500	\$3,650	\$4,320	<b>\$9,470</b>
<i>Residential (per additional unit type)</i>	<i>\$490</i>	<i>\$890</i>	<i>\$460</i>	
Commercial (single end use)	\$1,550	\$4,005	\$4,710	<b>\$10,265</b>
<i>Mixed-Use Buildings (per additional end use)</i>	<i>\$990</i>	<i>\$2,670</i>	<i>\$1,560</i>	

\*Price per type of project; Auditor fee is included

Details and registration forms can be found on the EDGE program website:  
<https://www.edgebuildings.com/certify/other-countries/>



# RESEARCH METHODOLOGY

## COUNTRY LIST

- IFC chose countries that correspond to the [Climate Investment Opportunity Report](#) (CIO Report) as well as countries of strategic interest for IFC.
- IFC plans to release additional country analysis, pending resources.

## TOTAL MARKET OVERVIEW

- Building stock was sourced from the [Global Building Stock Database](#) and confirmed by country experts, if possible.
- The research team found local prices for capital construction expenses, or used global proxies otherwise.
- Market sizing was executed for new construction and did not focus on retrofits.

## SNAPSHOT OF THE CURRENT GREEN MARKET

- Main source of information was the [Green Building Information Gateway](#), confirmed by local green building council reports, if such existed.
- The research team focused on properties certified as green.

## GOVERNMENT POLICIES

- Main information was sourced from the [World Bank NDC Database](#).
- Additional information was found using various searches as well as government websites.

## PROJECTIONS FOR GREEN PENETRATION

- Based on the total market growth, snapshot of the current green market, and the enabling environment of government policies, the research team projected green penetration per each of the sub-sectors.
- Weighted average of combined sector data produced the final penetration number.
- The analysis focused only on new construction, and focused only on certified properties.
- As tools for retrofits take off in the market (including IFC's EDGE product), analysis may be amended to include the retrofit market.
- Market potential may be different from numbers reported in the CIO Report, as a more conservative estimate was used for business planning purposes.

## OTHER

- Information for green building councils was sourced from [World GBC website](#).
- Case studies were presented only for IFC's EDGE green building software and certification system.
- However, lists of all green certified projects in a given country can be found through the [Green Building Information Gateway](#).
- Finally, pricing for EDGE certification was included to illustrate that green certification is affordable and achievable in emerging markets.



# ACKNOWLEDGEMENTS

## DONOR ACKNOWLEDGEMENT

IFC thanks the following national donors for their generous support of the EDGE program: the State Secretariat for Economic Affairs of Switzerland (SECO); the European Union; the Ministry of Finance of Japan; the Hungarian Export Import Bank; the Canada Climate Change Program and the Department of Foreign Affairs, Trade and Development Canada; the Royal Ministry of Foreign Affairs of Denmark and the Danish Green Growth Fund; the Federal Ministry of Finance of Austria; and the Ministry of Foreign Affairs of Finland.

In addition, IFC thanks contributors to the GEF-IFC Earth Fund Platform, and the Energy Sector Management Assistance Program (ESMAP) of the World Bank whose support helped seed EDGE.

## COLLABORATION ACKNOWLEDGEMENT

IFC thanks the Georgetown University McDonough School of Business for collaborating on developing the market intelligence reports.

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