

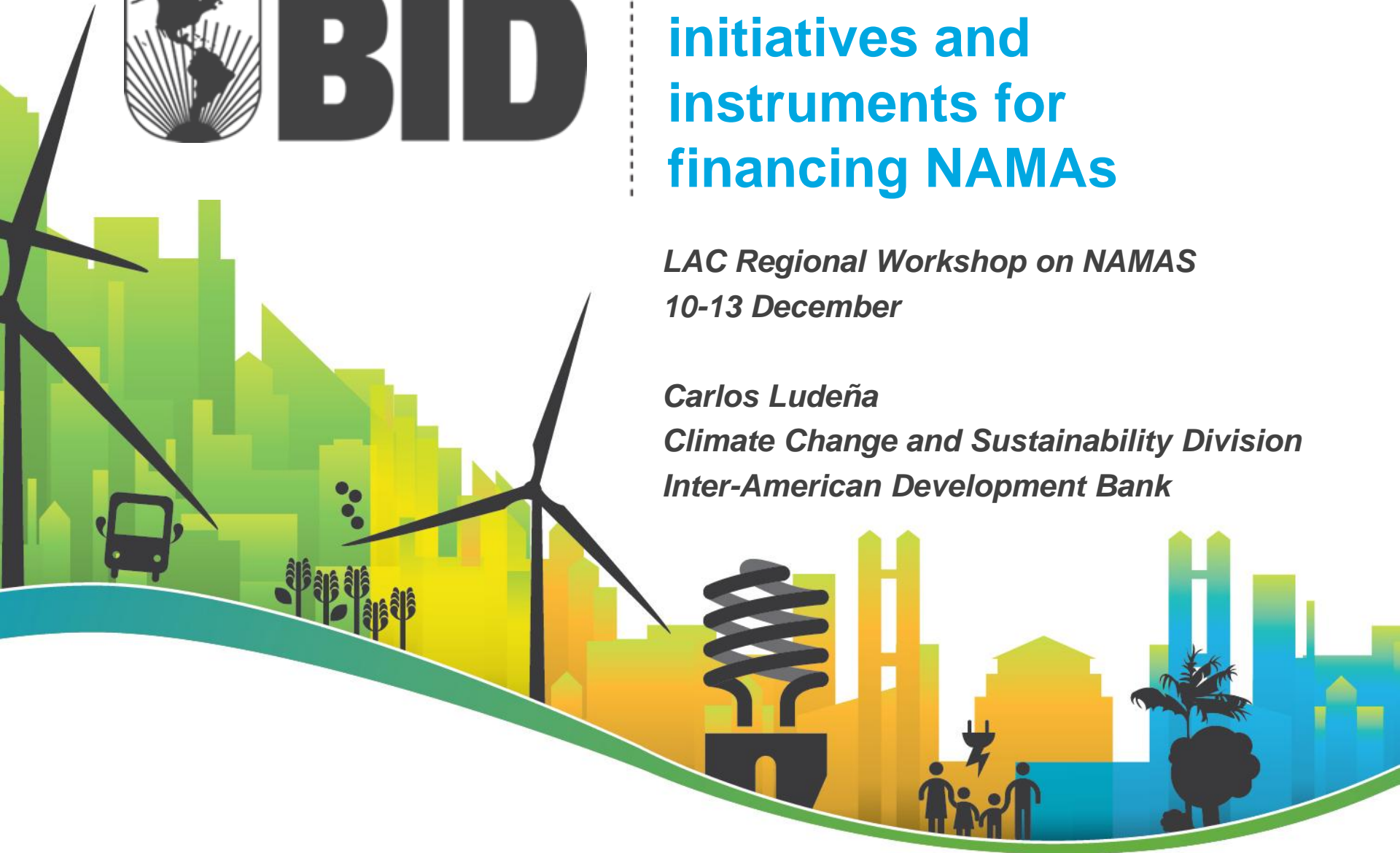


# BID

## Climate finance initiatives and instruments for financing NAMAs

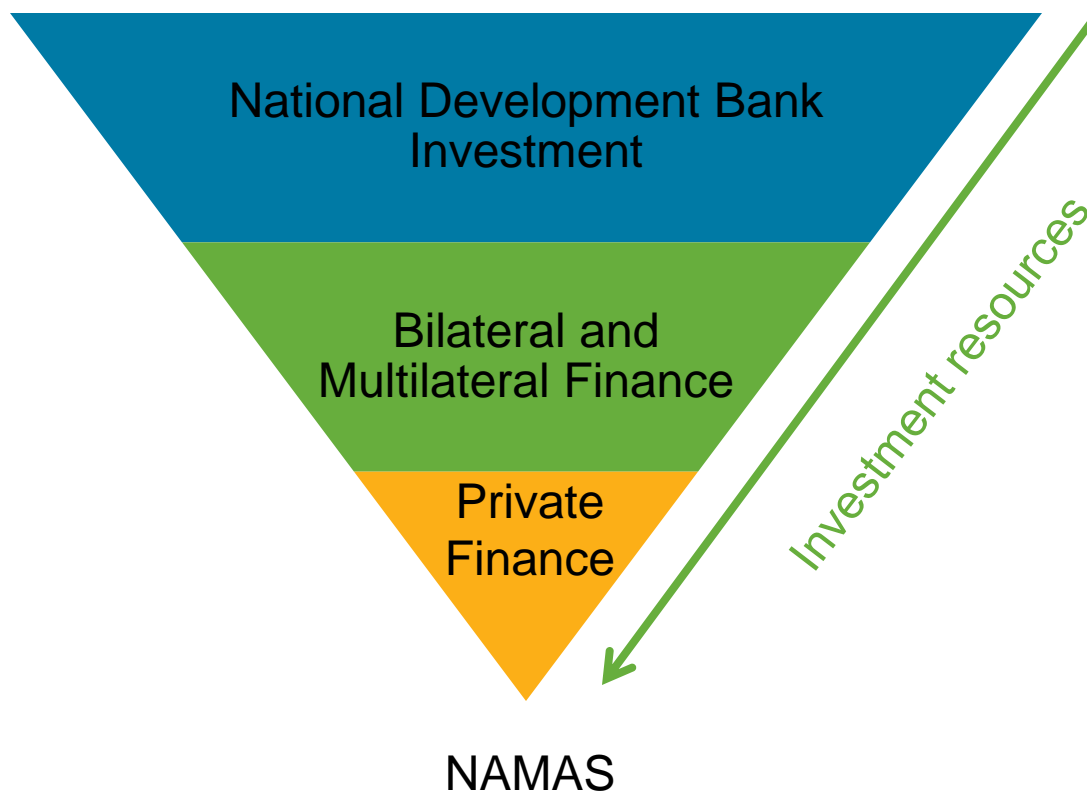
*LAC Regional Workshop on NAMAS  
10-13 December*

*Carlos Ludeña  
Climate Change and Sustainability Division  
Inter-American Development Bank*



## Financing NAMAs: the sources

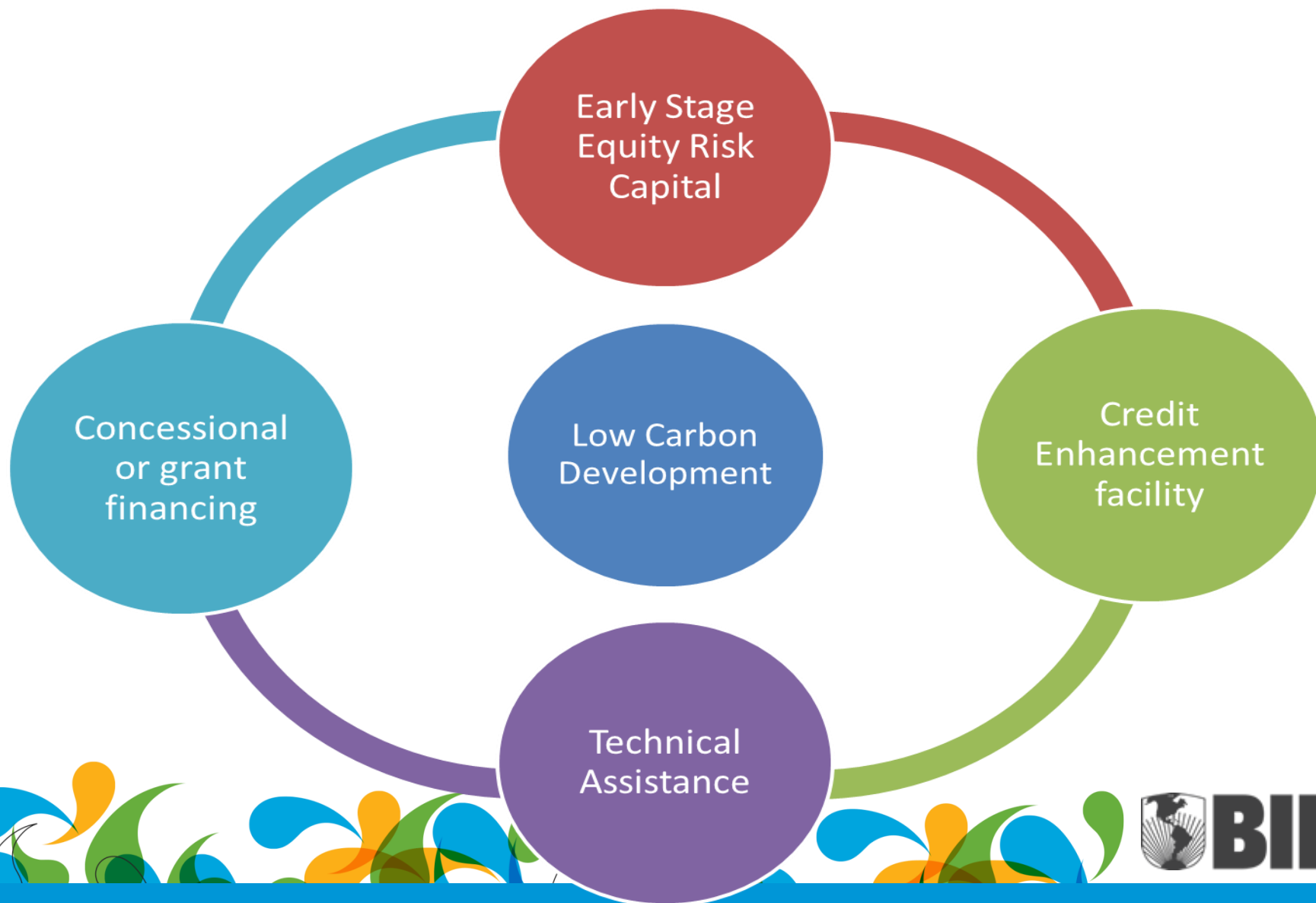
### Different sources of NAMA financing



## Financing NAMAs: the instruments

- **A variety of NAMA financing instruments exist, such as:**
  - Project financing, structures funds, promotional loans, development loans, grants, equity instruments, guarantees etc.
- **Basic principles of NAMA financing instruments:**
  - Adaptation to the specific circumstances of the host country to overcome financial barriers is key
  - Instruments need to be sustainable that work beyond first steps of project implementation
  - Affordability of financial instruments is crucial
  - Availability to potential investors and private sector investors

## Financing NAMAs: the instruments



## Financing NAMAs: the prerequisites for attracting sustainable financing

### ■ Prerequisites for attracting sustainable finance

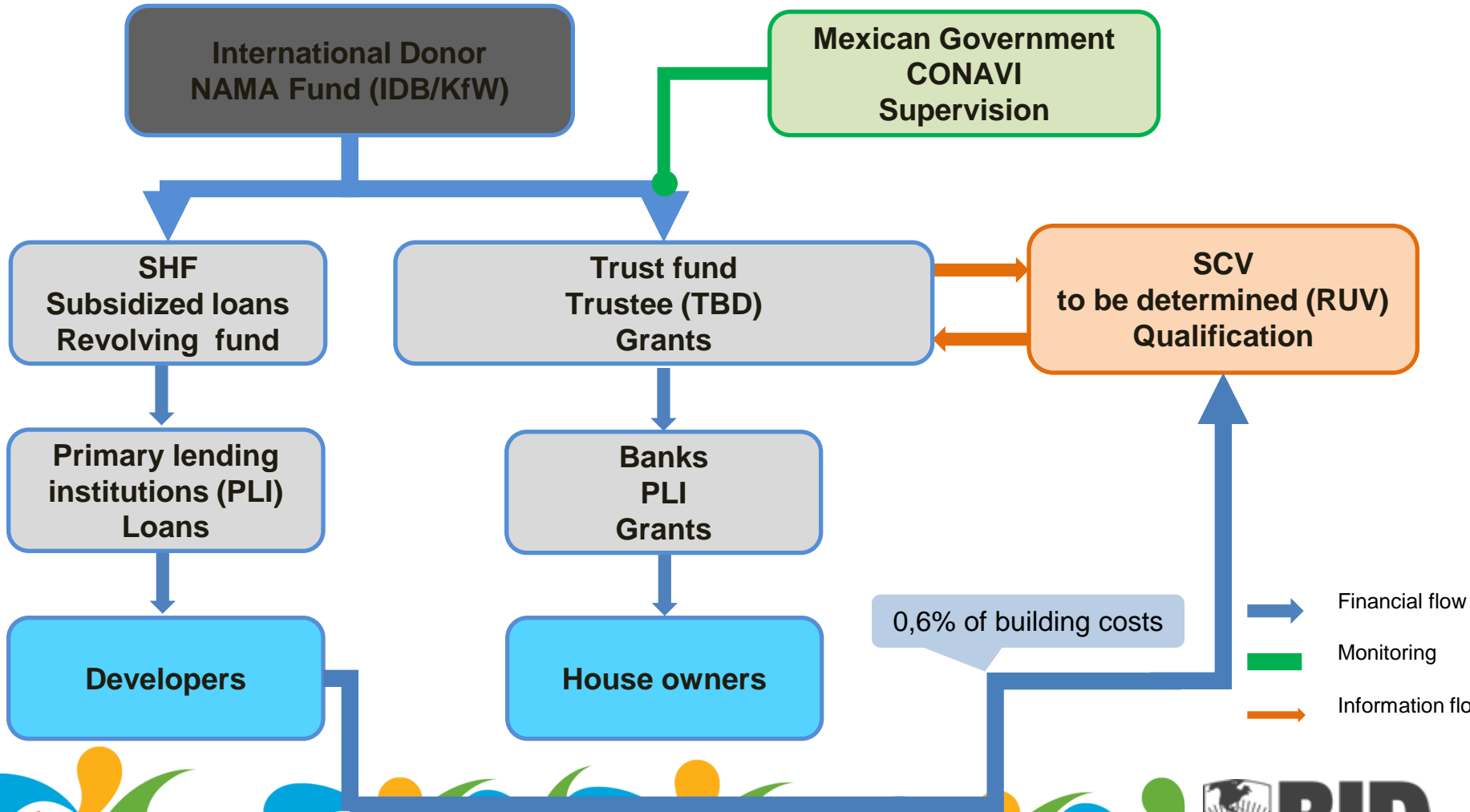
- Ability to attract private investments for transformational change
- Financial host country support and reliable regulatory and policy frameworks
- Embedment of NAMAs into national and sectorial strategies of host countries
- Institutional capacities to coordinate NAMA process
- Early involvement of all relevant stakeholders (banks, private sector, etc.)
- Concessional instruments to reduce risks in development of new technologies (barrier reduction) and improve return on investment for private investments
- Potential for replicability and municipal and regional elements

## Financing NAMAs: Role of MDBs

### ■ Multilateral Development Banks

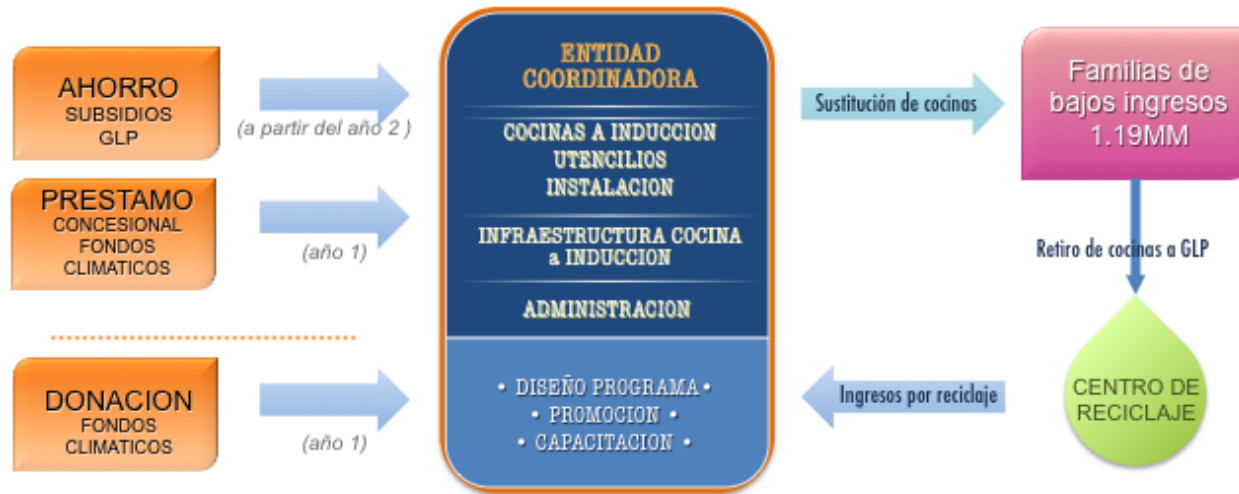
- Trigger and facilitate first steps by providing loans and concessional funding to prepare and develop NAMAs together with host country
- Help eliminate barriers (technical, regulatory, financial) and risk-return equation
- Create implicit credit enhancement effect on account of participation by banks (AAA credit rating)
- Catalyze private investments in NAMAs for long term sustainability fo NAMAs and transformational impact
- Help build institutional capacities for enhanced NAMA coordination by host countries and help develop national and sectorial plans
- Provide valuable knowledge, regional experience and replicable best practices

# Financing NAMAs: 1: New Housing NAMA Mexico (Ecocasa)



# Financing NAMAs: 2: Efficient Cooking Program in Ecuador

## PNCE\_FAMILIAS DE MENORES RECURSOS



## PNCE\_FAMILIAS DE INGRESOS MEDIOS Y ALTO





Thank you for your attention!  
Gracias por su atención!

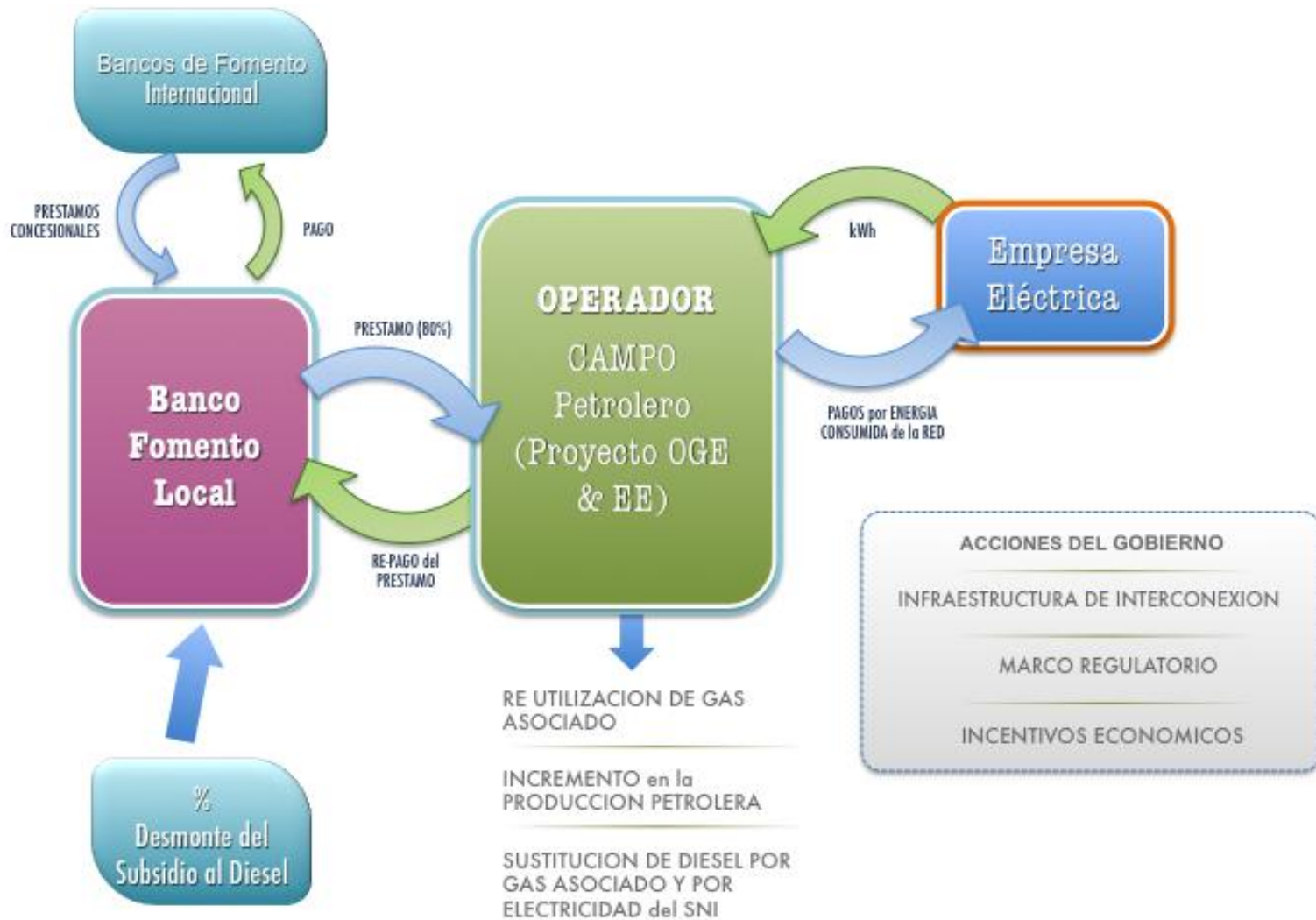
**Carlos Ludeña**  
Climate Change Specialist  
Inter American Development Bank (IDB)  
[carlosl@iadb.org](mailto:carlosl@iadb.org)



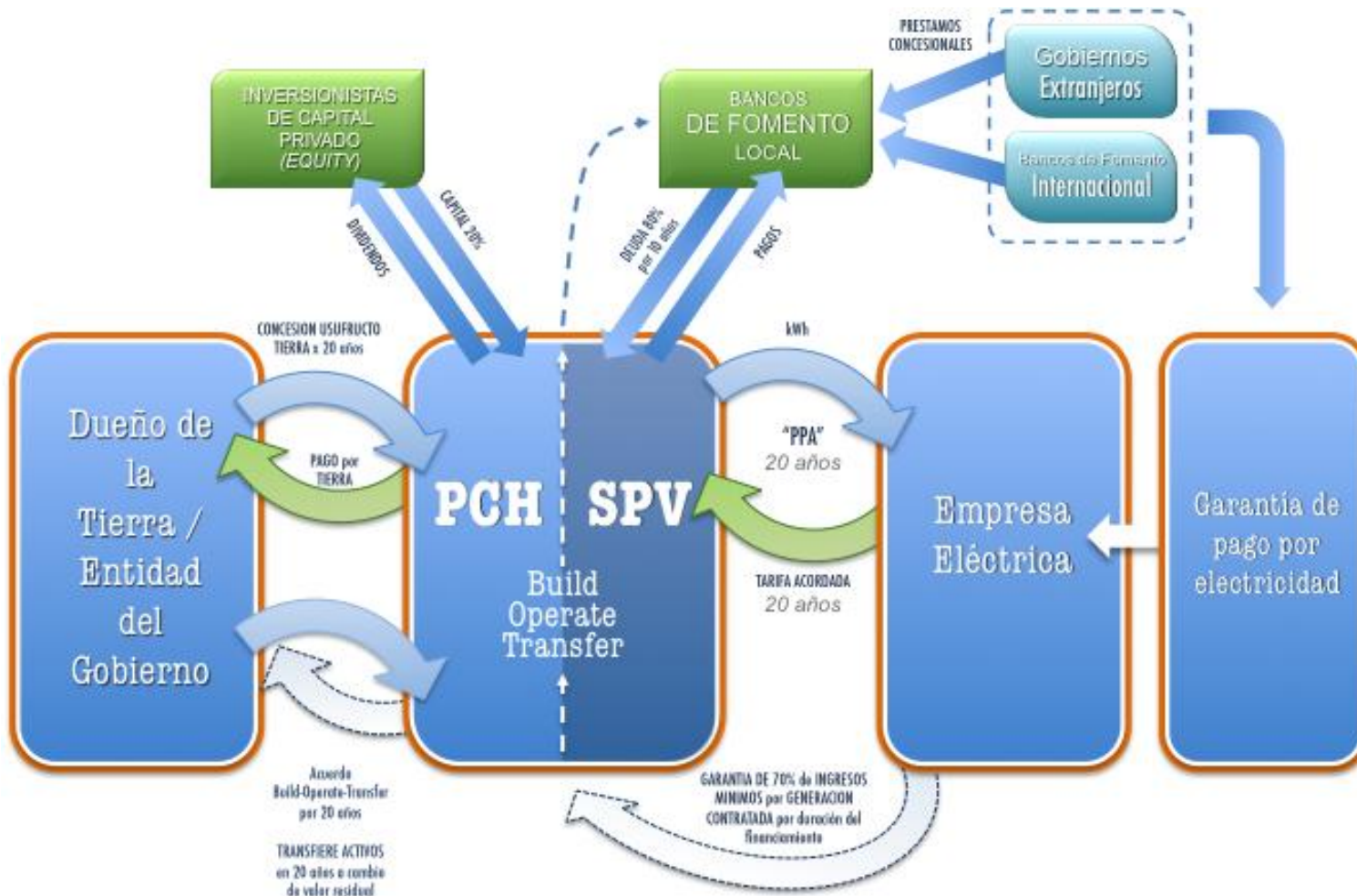


**Banco Interamericano de Desarrollo / [www.iadb.org](http://www.iadb.org)**

## Financing NAMAs: 3: EE in Oil Sector in Ecuador

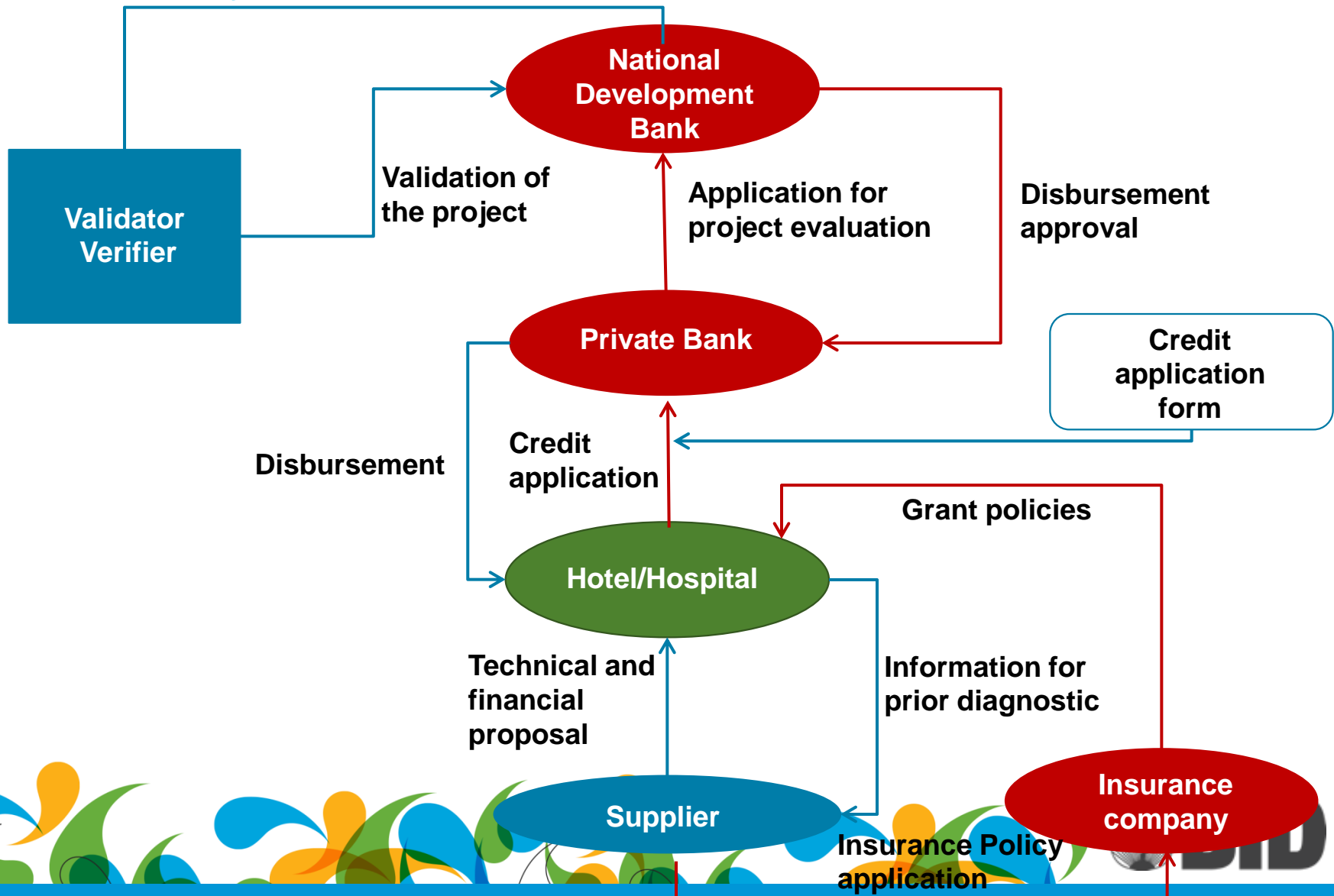


# Financing NAMAs: 3: Mini-hydro in Ecuador



# Financing NAMAs: Successful IDB Example 2: Colombia ??

## Phase 1: Study and Disbursement



# Financing NAMAs: Successful IDB Example 2: Colombia ??

## Phase 2: Project in Operation

