United Nations
Climate Change Secretariat

Nations Unies
Secrétariat sur les changements climatiques

1 July 2013

Regional workshop on promoting international collaboration to facilitate preparation, submission and implementation of nationally appropriate mitigation actions

Date of workshop: 16–19 April 2013

Venue: Lehakoe Club, Maseru, Lesotho

Attendance: Sixty-six participants attended the workshop: 54 were African country representatives, of which 16 were participants from the host country. Five countries sent additional participants, who were self-funded or funded by other international organizations. Nine representatives of international organizations attended the workshop, representing the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) Risoe Centre, the European Commission (EC), GIZ, the Bill and Melinda Gates Foundation and the Overseas Development Institute.

Opening of the workshop

1. The opening of the workshop was chaired by Mr. Bruno Sekoli, Director, Department of Meteorology, Ministry of Energy, Meteorology and Water Affairs of Lesotho. He welcomed the participants to the workshop and to Maseru and urged everyone to engage actively in the discussions.

2. Mr. William Kojo Agyemang-Bonsu of the secretariat welcomed the participants on behalf of the Executive Secretary and thanked the Government of Lesotho for the warm hospitality and for its effort in making the workshop a reality. He outlined the objectives of the workshop as follows:

(a) Provide technical support to build the capacity of African countries in the preparation, submission and implementation of nationally appropriate mitigation actions (NAMAs);

(b) Facilitate the exchange of best practices and lessons learned in the preparation and implementation of NAMAs by providing a platform to showcase NAMAs and innovative financing options;

(c) Provide a platform for networking by bringing experts from Africa and international organizations and donors together;

(d) Forge a robust and systematic partnership with international partners to conduct the workshop, to ensure synergy, coherence and cost-effectiveness and to avoid duplication.

3. Ms Karla Robin Hershey, UNDP Resident Representative of Lesotho, delivered a keynote address. She highlighted the importance of mitigation strategies in addressing climate change and in Africa's sustainable development and added that NAMAs present opportunities for accessing bilateral and multilateral funds. She stated that only a small number of African countries were able to benefit from the clean development mechanism (CDM). NAMAs provide all African countries with an opportunity to further their green growth ambitions. She referred to the lack of institutional and capacity challenges faced by many developing countries. In this context, UNDP launched its Low Emission Capacity Building (LECB) project, which aims to support the participating countries in setting up national greenhouse gas (GHG) inventory systems and to develop low-emission development strategies and NAMAs.

4. Lastly, Mr. Emmanuel M. Lesoma, Acting Minster, Ministry of Energy, Meteorology and Water Affairs of Lesotho, stated that Africa is ready to inspire and motivate change by being an agent of change. He added that coordinated efforts by all stakeholders, including the government, the private sector and civil society, would be needed to move this agenda forward. He highlighted efforts already made by Lesotho to contribute towards that, including collecting data to assess the potential for wind energy generation, initiating discussion with potential partners for the generation of solar power and working with South Africa to further develop hydropower

Part I: Nationally appropriate mitigation action concept

Secretariat presentation on the status of negotiations on nationally appropriate mitigation actions

5. The secretariat made a brief presentation on the status of negotiations on NAMAs, which included the following:

(a) An overview of decisions made to date and steps to facilitate the implementation of those decisions;

(b) Identification of two avenues where NAMAs are currently being addressed under the UNFCCC process:

1) The first avenue is the invitation for Parties to communicate NAMAs pursuant to decision 1/CP.16, paragraph 50.

(i). In this regard, 55 developing countries have submitted NAMAs to the secretariat to date; this accounts for submission from 35 per cent of developing countries.

(ii). Africa is the region with the highest participation, with 46 per cent of the countries having communicated their NAMAs to the secretariat.

(iii). Further discussions will take place under the Subsidiary Body for Implementation work programme to facilitate the preparation and implementation of NAMAs;

2) The second avenue is the registry, where Parties can submit individual NAMAs and information on sources of support.

(i). The secretariat developed a portal to enable Parties to submit NAMAs before the operational registry was deployed[1] in July 2012.

(ii). To date, two African countries have submitted NAMAs seeking support for the preparation of NAMAs, namely two submissions from Mali seeking support for the preparation of NAMAs in the energy and forestry sectors and a submission from Ethiopia seeking support for the preparation of a NAMA in the transport sector.

(iii). The prototype of the registry will be deployed at the end of April 2013 and the fully functional registry will be made available by October 2013.[2]

UNEP Risoe Centre presentation on the typology of nationally appropriate mitigation actions

6. Ms Karen Holm Olsen, Senior Researcher, UNEP Risoe Centre, gave a presentation on the concept of NAMAs, a typology of actions and examples of NAMAs submitted by African countries:

(a) Two types of NAMA, namely unilateral or domestically funded and internationally supported NAMAs, have been identified under the UNFCCC process. The role of credited NAMAs and carbon markets in financing NAMAs is under negotiation. In the future, carbon markets have the potential to become a mechanism to attract investment in the implementation of NAMAs;

[1] <http://unfccc.int/cooperation_support/nama/items/6945.php>.

[2] The registry prototype was deployed on 30 April 2013. It is available at: http://unfccc.int/cooperation_support/nama/items/7476.php>.

(b) Low-emission development strategies (LEDS) are national long-term strategies that aim to decouple economic growth and social development from GHG emissions growth;

(c) LEDS and NAMAs should build upon existing national strategies, such as the national development plan, poverty reduction strategy, energy strategy, technology needs assessments (TNAs) or green growth strategy;

(d) UNEP established the Risoe NAMA pipeline,[3] which presents NAMAs that have been submitted to the secretariat. The word-list page of the NAMA pipeline shows the categories used to expand the types and subtypes used in the CDM pipeline.

Questions and answers

7. There was a good discussion on the definition of NAMAs and opportunities for financial support. The main points raised included the following:

(a) Participants sought clarification on the differences between NAMAs and REDD (reducing emissions from deforestation and forest degradation in developing countries), a NAMA and a pledge, and a CDM project and a NAMA;

(b) It was mentioned that if a NAMA in the forestry sector, is nationally appropriate and reduces emission it could be considered as a NAMA. Some participants stressed that NAMAs are not pledges or targets;

(c) NAMAs provide a way for developing countries, with support from the international community, to undertake mitigation actions in the context of their sustainable development. NAMAs should go beyond a project-based approach but could include projects, policies and measures, strategies, national goals and others;

(d) NAMAs are broadly defined to allow flexibility in their formulation;

(e) With regard to support available, various bilateral and multilateral donors currently have initiatives to support developing countries in development and implementation. They were further discussed on day 2.

Part II: Nationally appropriate mitigation action preparation and implementation process

Secretariat presentation on lessons learned from technology needs assessments

8. Mr. Vladimir Hecl, of the secretariat, provided information on the process of TNAs and linkages with other processes under the Convention. His key messages included the following:

(a) Experiences and lessons learned from the TNA process are valuable in the preparation and implementation of NAMAs;

(b) The purpose of conducting a TNA is to assist in identifying priority technology needs that can form the basis for a portfolio of environmentally sustainable technology (EST) projects and programmes that can facilitate access to, and the transfer of, ESTs;

(c) TNAs present an opportunity to track an evolving need for the new equipment, techniques, practical knowledge and skills necessary to mitigate GHG emissions and to reduce vulnerability to the adverse impacts of climate change;

(d) TNAs involve stakeholders in a consultative process to consider priority sectors and technologies, identify barriers to technology transfer and measures to address these barriers, and explore other needs;

(e) African Parties identified technology needs in the agriculture, forestry and land use, energy (including increasing the use of renewable energy technologies and rural electrification), waste management, industry and transport sectors;

[3] <http://www.namapipeline.org/>.

(f) In 2009, the secretariat prepared a second synthesis report on technology needs identified by Parties, which showed that 24 countries presented 266 concrete project and programme ideas and proposals in their TNAs;

(g) In early 2013, the secretariat conducted a survey to identify whether these project ideas were implemented and what were the main factors that contributed towards success or failure of implementation. It was found that 32 projects had been implemented;

(h) Factors contributing to successful implementation include the availability of domestic and international funding, the ability to reach political and institutional consensus, the involvement of relevant stakeholders and a high level of priority for the government;

(i) Factors against successful implementation include high investment and/or a low rate of return, low visibility of projects, low attractiveness of some innovative technologies and a lack of State ownership.

Questions and answers

9. The discussions highlighted the importance of linkages between TNAs and NAMAs:

(a) It was mentioned that Parties need to fully utilize all the relevant processes under the Convention that support the preparation of NAMAs;

(b) TNAs could help countries to identify the technology needed for their NAMAs and to move their economies toward low-emission pathways. Countries need to make a link between the two processes at the national level. Countries such as the Republic of Moldova and Zambia are using the TNA process to develop their NAMAs under UNDP's LECB project.

GIZ presentation on the nationally appropriate mitigation actions tool

10. Ms Laura Wurtenberger, from GIZ, gave a presentation on the NAMA tool,[4] which provides a step-by-step guide for moving NAMAs from an idea to implementation. The process is structured into 10 steps and provides users with relevant instruments to develop NAMAs.

11. Countries should assess existing institutional arrangements and look into the need for a designated institution to facilitate NAMA development and implementation.[5]

12. The presentation also shared the following success factors from initial experiences of the implementation of NAMAs:

(a) NAMAs should be embedded in long-term strategies, such as LEDS;

(b) Robust investment plans, including feasibility studies and involving potential investors from the outset, can ensure access to available resources;

(c) High-level political commitment and inter-ministerial collaboration and coordination are necessary for aligning NAMAs with wider sustainable development goals and for identifying diverse sources of support;

(d) Factors underlying the successful implementation of NAMAs include robust institutional arrangements, a sound measurement, reporting and verification system and the consideration of sustainable development benefits;

(e) A participatory, bottom-up, stakeholder consultation process initiated nationally using local experts creates ownership.

13. The presenter also shared the link to climate finance options[6] that provide an overview of various bilateral and multilateral sources of funding for climate change.

[4] <http://www.mitigationpartnership.net/nama-tool-steps-moving-nama-idea-towards-implementation>.
[5] <http://mitigationpartnership.net/sites/default/files/giz_nama_ta_source_book_1.0.pdf_0.pdf>.
[6] <http://www.climatefinanceoptions.org/cfo/index.php>.

United Nations Development Programme presentation on multi-stakeholder decision-making for nationally appropriate mitigation actions and low-emission development strategies

14. Ms Rebecca Carman, of UNDP, delivered a presentation on stakeholder engagement. The main messages included the following:

(a) An inclusive stakeholder consultation process is a key factor of success and should involve international, national and subnational actors. A case study of the MAPS project in Chile[7] was used to provide an example of such a process, which highlighted the following:

1) High-level political commitment and inter-ministerial collaboration and coordination is needed throughout the process of the development of NAMAs;

2) Broad stakeholder engagement can draw out barriers to implementation and ensure that co-benefits are properly assessed;

3) Different stakeholders will need to be engaged at different stages of the NAMA development phase and it is important to clearly define their roles;

4) Business associations or leading industries/facilities could be an effective entry point for initiating discussions with the private sector. Potential investors should be engaged early on to ensure that proposed NAMAs will attract finance;

5) NAMAs that target incentives for the private sector (i.e. returns on investment or lowering risk) have a high potential to engage;

6) NAMAs can be instrumental in reducing long-term policy risks and creating stability, thus creating investor confidence;

7) A measurement, reporting and verification system can be instrumental for improving corporate and public governance;

8) A clear definition of roles, good coordination, consistency and transparency are key criteria for investors.

15. UNDP's LECB project[8] supports the preparation of low-emission, climate-resilient development strategies in a number of developing countries.

16. UNDP will be releasing a guidebook on risk reduction elements that countries can put in place to de-risk investment and attract private-sector engagement.

Questions and answers

17. The International Institute on Sustainable Development, Canada, has recently released a tool for prioritizing NAMAs.[9]

18. The GIZ tool is available in Spanish but not in French. Parties could make formal requests through GIZ country offices for its translation into French.

19. LEDS are not a precondition for NAMAs, but having an overarching strategy could provide a framework to better guide the process of the preparation and implementation of NAMAs.

20. The identification and preparation of NAMAs could be the result of a bottom-up process or a top-down process. It is essential to ensure that they are in line with national development plans.

[7] <http://www.mapsprogramme.org/>.
[8] <http://www.lowemissiondevelopment.org/about-us>.
[9] <http://www.iisd.org/publications/pub.aspx?pno=2784>.

21. The NAMA Facility of the Governments of Germany and the United Kingdom of Great Britain and Northern Ireland, launched in Doha, Qatar, has specified general eligibility criteria[10] that could be used by countries to establish their own.

Group exercise 1: Nationally appropriate mitigation action preparation and implementation process

22. Using the GIZ NAMA tool, participants worked in groups to consider aspects related to key quality criteria for the different steps of the NAMA development process as well as potential gaps and barriers that they potentially encounter or have encountered in their countries with respect to each of the criteria.

23. The following is a summary of the report on the group exercise:

(a) Institutional support at the highest level possible is required to facilitate implementation of NAMAs;

(b) It is important to showcase the longer-term benefits of NAMAs in contributing towards sustainable development. This could facilitate the development of appropriate regulations that can provide direction and ensure the sustainability of related activities;

(c) An appropriate regulatory framework to attract private-sector investment is also important to facilitate implementation of NAMAs;

(d) The potential of a NAMA to bring about transformational change can draw the interest of donors and bring diverse sources of support together to facilitate its implementation;

(e) Measurement, reporting and verification needs to be institutionalized in order to facilitate the measurement, reporting and verification of individual actions.

24. The following barriers were identified by groups in the preparation and implementation of NAMAs:

(a) The lack of a regulatory framework;

(b) The lack of capacity and relevant skills;

(c) The lack of funding available for implementation;

(d) The lack of awareness in general and a sector-specific lack of knowledge on mitigation potential act as barriers in initiating the process of the preparation of NAMAs;

(e) The lack of the availability of relevant data for the development of NAMAs;

(f) A monopoly in the generation and distribution of energy in many countries poses a barrier to introducing NAMAs in general energy from renewable sources; this particularly disincentives small private energy generators;

(g) The high cost of upfront capital.

Part III: Institutional arrangements

United Nations Development Programme presentation on institutional building process

25. Ms Rebecca Carman presented the LECB project and key considerations for institutional arrangements need to design and implement NAMAs at the national level.

26. She also provided some initial results of a survey conducted to better understand the national circumstances and institutional arrangements in African countries to deliver NAMAs.

[10] <https://www.gov.uk/government/publications/information-about-the-nationally-appropriate-mitigation-actions-nama-facility>.

27. The objective of the LECB project is to build the capacity of participating countries in designing and implementing LEDS and NAMAs. It focuses on national GHG inventory systems, NAMAs, LEDS, measurement, reporting and verifying, and private-sector engagement.

28. NAMAs should emerge from, or align with, broader national development planning. Examples of the institutional frameworks for the development and implementation of LEDS and NAMAs for Colombia and Indonesia were shared.

29. Indonesia has developed a national action plan on GHG emission reduction (RAN-GRK). It has put in place a comprehensive institutional framework with well-defined roles for all the stakeholders involved to facilitate implementation of the action plan. To summarize:

(a) Thirty-three provinces are elaborating local action plans to identify priority mitigation actions;

(b) The National Planning Ministry has a mandate to lead and coordinate the NAMA development process to deliver RAN-GRK targets and also to ensure that climate change policies and measures are aligned with national development planning;

(c) Sectoral ministries are mandated to review provincial action plans and provide GHG data to the Ministry of Environment;

(d) The Ministry of Environment coordinates national measuring, reporting and verification of GHG emissions.

30. Colombia has established a climate change executive commission (CCEC), which is composed of representatives of key ministries and is chaired by the planning commission. The CCEC plays an advisory role. The financial committee receives input from sectoral, territorial, international affairs and cross-sectoral information sub-commissions, which are technical interdisciplinary working groups responsible for preparing LEDS and coordinating the implementation of action on the ground.

31. The results from the survey, referred to in paragraph 26 above indicated that the lack of institutional capacities and information for elaborating robust proposals are the biggest barriers to establishing a strong institutional framework for NAMAs. Possible solutions include the following:

(a) Raise awareness of NAMAs as a vehicle for achieving sustainable development goals and priorities;

(b) Enact climate change legislation/policy to create an enabling environment at the national and local levels;

(c) Create a national/sectoral institutional framework for NAMAs and identify NAMA focal points and coordination mechanisms;

(d) Enact institutional capacities for NAMAs and the design for measurement, reporting and verification and try to minimize staff turnover;

(e) Effectively engage the private sector and improve awareness of investment opportunities emerging from NAMAs;

(f) Learn from CDM experiences: what worked, what did not and what can be scaled up;

(g) Identify incentives for follow-up and proactive engagement by a range of national stakeholders.

Designated national authorities: experiences from the clean development mechanism

32. Representatives of Morocco and Uganda shared their experiences with the CDM and how these have eased the establishment of institutions for NAMAs.

Morocco's experience

33. Ms Naima Oumoussa gave a presentation on Morocco's approach to setting up institutional arrangements, which contained the following messages:

(a) Climate change is a cross-cutting issue and is addressed by a wide range of actors. Institutional arrangements should involve all relevant stakeholders;

(b) Building on existing initiatives and strengthening existing institutional structures are critical;

(c) Involving academia and the scientific community secures the technical soundness of the NAMA process and could address the issue of lack of data;

(d) Morocco is undertaking efforts to institutionalize its national climate change committee and to anchor it at the highest political level. On the technical level, the Department of Environment is setting up a technical committee that will be responsible for overseeing the implementation of NAMAs and that includes representatives of all relevant ministries;

(e) The Department of Environment is facilitating the process of identification of NAMAs, ensuring the continuity and integrity of climate change actions, linking NAMAs to the overall sustainable development goals of the country and institutionalizing a measuring, reporting and verification system;

(f) The shift from NAMA preparation to implementation can be challenging. To a certain extent these challenges of moving to implementation can be addressed if the NAMAs are incorporated into national and sectoral policies.

Uganda's experience

34. Mr. Chebet Maikut presented the following information on the institutional framework that Uganda has established for the CDM and how the existing framework is being used to facilitate the preparation and implementation of NAMAs:

(a) The CDM, NAMAs, REDD-plus and any future market-based mechanism are a part of the wider mitigation effort and therefore the CDM designated national authority (DNA) provides an institutional framework for NAMAs in Uganda;

(b) There is a need to strengthen further the technical and institutional capacity of the DNA to effectively address NAMAs;

(c) The Government of Uganda has embarked on an ambitious process to develop a national climate change strategy. Cabinet approval of the strategy is expected before the end of June 2013. It will provide for an enhanced institutional arrangement by establishing a national climate change policy committee to be chaired by the Prime Minister and would include 15 ministers from key ministries;

(d) It will also establish a national climate change advisory committee, chaired by the Environment Minister. This committee will be composed of representatives from key ministries and government agencies, district and local governments and non-governmental organizations, academia and civil society;

(e) The existing climate change department will be responsible for the implementation and monitoring of climate change activities. It will prepare an annual report for consideration by the national planning authority. The national planning authority has the mandate to coordinate all activities on climate change nationally and will put in place a performance monitoring framework.

Questions and answers

35. The discussions focused on coordinating activities at the national level in the light of the proliferation of international initiatives on climate and energy, as well as on the barriers faced in implementing NAMAs:

(a) Uganda is in the process of setting up a national registry to coordinate the submission of NAMAs to the UNFCCC NAMA registry;

(b) In most countries, the ministry of environment is the focal point for climate change activities; however, depending on the activity, other ministries, such as the energy, transport and agriculture, may take the lead in implementation;

(c) The roles and responsibilities of various stakeholders need to be clearly defined in order to ensure the effective participation of all stakeholders.

Country experiences in establishing institutional arrangements for nationally appropriate mitigation actions

Democratic Republic of the Congo's experience

36. Mr. Trinto Mugangu presented information on institutional arrangements put in place in the Democratic Republic of the Congo for the implementation of climate change activities. He also outlined the following results that the country is expecting from its LECB project:

(a) NAMAs in the energy and agriculture sectors together with an assessment of technology needs, social practices and required policy measures to incentivize change in behaviour;

(b) An assessment of capacity and investment needs;

(c) A national system for measurement, reporting and verification ;

(d) A national registry on NAMAs.

37. With regard to institutional arrangements:

(a) The Ministry of Environment takes the lead in coordinating activities among a diverse range of stakeholders, including the private sector and development partners;

(b) A plan has been put in place to set up an inter-ministerial committee on climate change, to be headed by the Prime Minister's office. This committee will be served by a steering committee consisting of representatives from the government, civil society and the private sector;

(c) A project management unit and thematic working groups will also be set up.

Kenya's experience

38. Mr. Mosses Jura presented Kenya's comprehensive climate change action plan, institutional arrangements for its GHG inventory and potential institutional arrangements for NAMAs.

39. Kenya launched a comprehensive climate change action plan in February 2013 based on its national priorities. The action plan was developed by a task force, supported by thematic working groups. A consultative process undertook extensive stakeholder consultations.

40. Kenya will set up a special 'measurement, reporting and verification plus' system in which the impacts of adaptation measures will also be taken into account.

Questions and answers

41. The institutional framework for climate change should be anchored at the highest level of the government in order to ensure effective identification and implementation of measures.

42. Questions were raised on the process used to request international support for establishing institutional arrangements. It was proposed that countries that are to set institutional arrangements for NAMAs contact the African Development Bank to mobilize the required funds.

Group exercise 2: institutional arrangement to facilitate nationally appropriate mitigation action implementation

43. Participants worked in groups to discuss the following:

(a) Stakeholder engagement: public, civil and private-sector entities;

(b) NAMA governance structures and the 'ideal' institutional arrangements.

44. The following is a summary of the report on the group exercise:

(a) There is no one 'ideal' approach to setting up institutional arrangement for NAMAs, as this depends on national circumstances;

(b) The establishment of a centralized NAMA office depends on national circumstances;

(c) Existing institutions should be used;

(d) Sectoral ministries must be engaged, either as the lead institution for NAMAs or as part of a coordination committee;

(e) A NAMA focal point (institution) is needed to coordinate national processes;

(f) Stakeholder involvement is key and clear mandates for all stakeholders should be ensured;

(g) A national structure/steering committee is required for NAMA governance;

(h) High-level champions could support the NAMA process and help to raise awareness in the country;

(i) A policy framework is needed to support the process (to clarify mandates, to ensure private-sector engagement, etc.).

Part IV: Financing

Panel discussion: support from bilateral and multilateral organizations

45. Mr. Noel Casserly, EC, noted the following:

(a) During the fast-start finance (FSF) period, two thirds of the EC's contribution was channelled to mitigation-related activities;

(b) Ireland contributed EUR 110 million in the form of grants;

(c) The mid-term challenge of mobilizing up to USD100 billion per annum by 2020 poses a big challenge;

(d) Although public finance will play a key role, there is a critical need to explore innovative sources of financing in the light of a tight public budget. Examples by European Union (EU) member States include the following:

1) Public–private financing, with the United Kingdom acting as the lead financier in two new equity funds;

2) Germany and the United Kingdom have launched the NAMA Facility,[11] which is implemented by KfW;

3) The Global Energy Efficiency and Renewable Energy Fund;[12]

4) The Global Climate Change Alliance,[13] which was used to channel EU support during FSF.

[11] <http://www.bmu.de/en/bmu/press-and-speeches/current-press-releases/pm/artikel/germany-and-the-united-kingdom-launch-nama-facility-in-doha/>.

[12] <http://geeref.com/>.

[13] <http://www.gcca.eu/>.

46. Mr. Todd Ngara, UNEP Risoe Centre, noted the following:

(a) The FIRM Project[14] provides support to developing countries to identify and elaborate priority NAMAs by building on existing analyses, such as the TNAs, in the removal of non-financial barriers to the implementation of NAMAs and facilitates South–South cooperation;

(b) The NAMA Academy[15] has been set up to provide training for public-sector officials in the conceptualization of NAMAs. A two-week course is expected to commence on 19 August.

47. Ms Rebecca Carman, UNDP, noted the following:

(a) In addition to the LECB project, at the regional level UNDP has been providing capacity-building support to Central and East African countries through the Regional Bureau for Africa;

(b) Countries in Southern Africa have benefited from the Climate Finance Initiative;

(c) There are opportunities for support through UNDP country offices; for example, in Ghana support was provided to develop a NAMA investor guide;

(d) The Global Environment Facility (GEF) also provides support for the preparation of NAMAs.

48. Mr. Sean Green, Bill and Melinda Gates Foundation, noted the following:[16]

(a) Currently the Foundation does not have a programme directly focused on climate change and mitigation. However, if some activities fit within the Foundation's agriculture development and water, sanitation and hygiene strategies, and become pilot projects as NAMAs, then the Foundation may invest in them once they are proven;

(b) The Bill and Melinda Gates Foundation has a strong interest in measurement, reporting and verification, therefore the pilot projects will have to have a strong measurement, reporting and verification component;

(c) Recipients can access funds from the Foundation through the grand challenge exploration, through open calls for submission of ideas and through a particular strategy of the Foundation.

Questions and answers

49. The question and answer session saw discussions on criteria for fundable NAMAs, donor coordination, financial engineering for NAMAs, leveraging factors that donors anticipate in mobilizing USD 100 billion by 2020, accounting for different sources of finance, for example differentiating between grants and loans, and a channel for disbursing funds. Some participants raised concerns about the lack of engagement of donors in the temporary platform created to facilitate early submission of information to the NAMA registry. A representative of the EC mentioned that it looks forward to operation of the registry prototype in order that it can engage with it.

Input on European Union experiences and views

50. Ms Ariane Labat, EC, gave a presentation outlining the EC's experiences and views on financing of NAMAs. The main messages were as follows:

(a) Twenty per cent of the EU's development aid must be climate-related, based on the priorities identified by countries as relevant for their sustainable development;

(b) The EU has dedicated EUR 65 million of funding for the United Nation's Sustainable Energy for All (SE4all) project and will be calling for proposals by June 2013, which will have synergy with NAMAs in many countries;

[14] <http://www.unep.org/energy/Activities/FIRM/tabid/79475/Default.aspx>.
[15] <http://www.namacademy.org/>.
[16] <http://www.gatesfoundation.org/>.

(c) EU support to the Climate Technology Centre and Network (EUR 5 million support to set up training and stakeholder involvement platforms) and to the Global Climate Change Alliance (EUR 70 million for action in 15 countries);

(d) Some lessons for securing support include to define a low-emission development strategy in the context of medium to long-term sustainable development plans and to understand the policy dimension of NAMAs (i.e. a policy framework that provides favourable conditions for local and foreign investors).

UNEP Risoe Centre presentation on financial engineering of nationally appropriate mitigation actions

51. Mr. Soren Lutken, UNEP Risoe Centre, gave a presentation on financial engineering of NAMAs, which noted the following:

(a) There are several drivers behind climate financing: rising fossil fuel prices; increasing access of energy; regulations; and others. Only 1 per cent of financing is clearly motivated by emissions reductions;

(b) It is not difficult to engage the private sector, as it will invest in emission reduction and the co-benefits as long as it is profitable and provided that there is a reasonable risk/return ratio and that public–public partnerships could be used to provide the conditions necessary for private investment;

(c) With regard to risk and guarantees, see the Climate Policy Initiative document (available at <http://climatepolicyinitiative.org/wp-content/uploads/2013/01/Risk-Gaps-Policy-Risk-Instruments.pdf>).

52. Mr. Lutken also outlined the following basic criteria used by institutions when assessing programmes for engagement:

(a) The relevance of the objectives to financing sources;

(b) The total funding sought and the amount or percentage of co-financing;

(c) The estimated GHG reductions and the cost of achieving the reductions (USD/t CO2 eq);

(d) The economic and financial viability;

(e) The experience and capabilities of the proposing entity;

(f) The programme management, implementation and evaluation plans.

Overseas Development Institute presentation on using climate finance to mobilize the private sector

53. Ms Shelagh Whitley, Overseas Development Institute,[17] gave a presentation on designing public-sector interventions to mobilize climate compatible investment, which covered the following:

(a) At least USD 97 billion per year of climate finance is currently being provided to support low-carbon, climate-resilient development. The amount of private finance is almost three times greater than public finance. It makes sense to engage the private sector because:

1) The private sector plays an active role in all the sectors identified as critical to low-emission development;

2) The private sector is diverse and includes local and foreign owned enterprises of all sizes;

3) The private sector is efficient and has the needed capacity;

(b) Technology costs have become less of a barrier, but the investment environment and political, regulatory and legal risks remain a challenge in many countries and for the transformation change required by climate change it would be needed to align public policy, public finance and private finance in all countries;

[17] <http://www.odi.org.uk/>.

(c) The following tools could be used to mobilize private-sector investment:

1) Regulatory instruments, such as standards, property/land rights, quotas, licences, accounting systems, patent protection and import/export restrictions;

2) Economic instruments, such taxes, levies, royalties, tradable permits, lending guarantees, insurance and public procurement;

3) Information instruments, such as research and development, awareness campaigns, training/education, voluntary performance targets, transparency initiatives and voluntary certification/labelling.

Questions and answers

54. It was noted that there is a need to consider a wide range of sources of financing, not limited to public or private.

55. In developing countries many goods and services are provided by the public sector, therefore financing for NAMAs should not be seen from the angle of a NAMAs' potential in leveraging private-sector financing as this may mean proposing structural changes to fiscal policy, which should not be the intention of activities undertaken to address climate change;

56. Financing for NAMAs should not be looked at in a similar light as development finance, since there is an angle of equity and historical responsibility in climate financing.

Part V: Measurement, reporting and verification

Secretariat presentation on measurement, reporting and verification in the context of the UNFCCC process

57. The secretariat gave a brief presentation on measurement, reporting and verification related decisions adopted by the Conference of the Parties, namely on biennial update reports (BURs) and international consultation and analysis (ICA).

58. The national level includes the submission of national communications every four years, BURs and ICA.

59. BURs are composed of a national GHG inventory, a list of mitigation actions, identification of support needs and information on the domestic measurement, reporting and verification system.

60. Measurement, reporting and verifying NAMAs will depend on the source of support, although it is unlikely that NAMAs are funded by a single source:

(a) Internationally supported NAMAs: sources of funding may have their own reporting requirements;

(b) Domestically supported NAMAs: general guidelines are currently being developed under the Subsidiary Body for Scientific and Technological Advice.

61. With funds provided by the GEF, a number of developing countries have already embarked on the preparation of BURs, and submission of these reports is expected from December 2014 onwards.

62. Six months after the submissions start, the first ICA will be conducted, which will entail technical analysis of the BUR by a group of experts, which will prepare a summary report that will go under consultation by the Subsidiary Body for Implementation.

GIZ presentation on measurement, reporting and verification

63. Ms Laura Wurtenberger, GIZ, made a presentation on measurement, reporting and verification, which touched upon elements of measurement, reporting and verification, the entity responsible for conducting measurement, reporting and verification, monitoring NAMAs, data needs and availability, and reporting and verifying NAMAs.

64. A robust measurement, reporting and verification system is in the interest of a country.

65. Measurement, reporting and verification will look very different for different types of NAMAs; however, it can be very similar to existing approaches to the monitoring and evaluation of projects funded by international donors.

66. It is also critical to first work with the available data and to work to obtain additional data.

National experiences in setting up a measurement, reporting and verification systems

Egypt's experience

67. Mr. Tarek Shalaby, from Egypt, gave a presentation on setting up a measurement, reporting and verification system in Egypt, which mentioned the following:

(a) A national team of experts, consisting of members from all relevant ministries, was established to assess mitigation potential and develop a vision for implementing NAMAs. The national team of experts has come up with a preliminary list of potential NAMAs;

(b) Egypt plans to develop a framework for a low-emission development strategy appropriate for guiding all relevant stakeholders in mitigation actions and is establishing contact with potential donors to that end;

(c) Egypt will develop technical capacity for a national GHG inventory as a basis for its measurement, reporting and verification system;

(d) Challenges faced by Egypt with regard to NAMAs include setting up a robust GHG inventory system, sector-level measuring, reporting and verification, establishing a bottom-up measuring, reporting and verification approach and the identification, formulation and implementation of NAMAs.

Ghana's experience

68. Mr. Joseph Baffoe talked about the integrated approach Ghana has taken to set up its measurement, reporting and verification system, which includes national communications, BURs, an online tracking system and a national GHG inventory system, a national NAMA registry and NAMA approval process, and a system to assess the incremental impact of NAMAs both in terms of GHG reduction and the co-benefits.

69. With regard to submitting NAMAs to the UNFCCC registry, the NAMA administration coordinates all activities related to NAMAs and reporting and has developed criteria for screening and approval. These criteria include emission volumes, transformational potential, co-benefits, development alignment and business value.

70. A NAMA self-screening committee, established as a subset of the NAMA administration, has the responsibility of providing the framework for undertaking low-carbon policy objectives and has developed an investor guide to promote the engagement of the private sector in the formulation and implementation of NAMAs in Ghana.

Secretariat presentation on clean development mechanism standardized baseline development, progress and use in the nationally appropriate mitigation action context

71. A representative of the secretariat made a brief presentation on the key concept of the standardized baselines.

72. The CDM provides some of the technical basis to perform measurement, reporting and verification of NAMAs. For example, experiences with implementation could help in setting up of boundaries, designing sampling procedures and handling uncertainties by using quality assurance/quality control guidelines.

Group exercise 3: measuring, reporting and verification

73. Participants were provided with an example of a NAMA submitted to the secretariat to discuss, inter alia, what should be measured, reported and verified, what concrete data would be required and what sources are available, who would be responsible for data collection, how data quality would be ensured and what challenges could be anticipated.

74. The following is a summary of the report on the group exercise:

(a) Lack of relevant data, quality of available data and the cost of running a measurementg, reporting and verification system are big challenges for many countries;

(b) With regard to indicators for assessing the impacts of actions, together with environmental indicators, it is also critically important to consider social and economic impacts (i.e. the co-benefits of actions);

(c) There is a need to establish a system for reporting, all relevant stakeholder needs should be consulted when validating the report and project output, and all data must be archived in order that it can be easily retrieved in the future.

Part VI: NAMA approvers' forum

Secretariat presentation on overview of the registry

75. The secretariat introduced the NAMA approvers' forum as a platform for NAMA approvers to discuss common challenges and exchange experiences and lessons learned. The NAMA approvers' forum will be implemented through in-person meetings, webinars and online forums. With regard to the registry, the following was highlighted:

(a) The registry allows the creation and editing of different types of NAMAs as well as entries for information on support. It can also record information on support provided;

(b) A password-protected platform was launched in 30 April 2013. A version open to the public will be deployed in October on the basis of comments made by registered users between April and July 2013;

(c) Access rights for developing countries include:

1) NAMA approvers, whose main responsibility is to approve NAMAs for a country;

2) NAMA developers, who could create and edit NAMAs and send them for approval to the NAMA approver;

(d) NAMA approvers have the main responsibility of making the registry work, ensuring the accuracy and veracity of the information and providing credibility to the platform. Their function represents the most immediate responsibility to ensure the success of the platform. As there are no guidelines for the registry, it is important that countries consider

1) What are the actors that will use the registry?

2) What role does the registry play in NAMAs at the national level?

3) What arrangements are required for its operation?

(e) The secretariat will support users of the registry through technical material, such as the registry manual, direct assistance through e-mail and the NAMA approvers' forum. Capacity has been created within the secretariat to respond to queries and requests from NAMA approvers (e.g. organization of workshops and development of fact sheets and technical guidelines).

76. Mr. Xolisa Ngwadla, from South Africa, provided an overview of arrangements for NAMAs in his country. The main messages included the following:

(a) South Africa evaluated long-term mitigation scenarios through a consultative national process in 2007;

(b) The national climate change response white paper aims to manage inevitable climate change impacts and make a fair contribution to mitigation. Parallel policy instruments include a carbon tax, a green fund, the green economy strategy and others;

(c) The following institutional arrangements have been established: an intergovernmental committee on climate change; technical working groups on mitigation, adaptation, monitoring and evaluation; a national climate

change committee; and a government cluster system for assessment of policy initiatives for consideration by the Cabinet;

(d) Flagships are identified within the white paper, some of which will be translated into NAMAs, including the roll-out of electric private passenger vehicles, wind power (10 GW up to 2020), CHP (5 GW up to 2020) and others;

(e) A plan is being developed to operate a registry and administer the submission of NAMAs. The government is currently considering the need for guidelines and specification of roles and responsibilities. The main questions under consideration are on single or multiple submissions of NAMAs per sector, national champions and financial sustainability.

77. Owing to time constrains, the rest of the meeting was dedicated to an exercise in which groups were requested to consider a real NAMA for approval. The objective was to brainstorm on a range of issues.

78. On the responsibilities of NAMA approvers, the following ideas were mentioned:

(a) Coordinate the development of procedures and criteria for the approval of NAMAs;

(b) Oversee the conformity of NAMAs with established criteria for approval;

(c) Ensure that approved NAMAs are in conformity with sustainable development objectives and lead to emission reductions;

(d) Involve stakeholders in the process;

(e) Keep track of the implementation of all NAMAs in the country, including their conformity with any issues of implementation;

(f) Avoid a conflict of interest;

(g) Promote NAMAs.

79. On who could perform the role within the country, it was noted that such a role should be played by an institution and not by a single individual; for example:

(a) A NAMA approval committee;

(b) An existing institution (e.g. the DNA);

(c) An entity created at the highest political level possible to raise the political status of NAMAs.

80. Skills required for the organization include competence in administrative procedures, project management and coordination, and technical knowledge of mitigation and sustainable development.

81. Tools required to perform the task include primarily guidelines and criteria for approval and established procedures. Particular emphasis was made on criteria for approval, which, among others, could include the following:

(a) Alignment with national strategies, policy priorities and sustainable development goals;

(b) Stakeholder involvement;

(c) Mitigation impacts;

(d) Measuring, reporting and verification aspects;

(e) Cost-effectiveness;

(f) Feasibility of implementation;

(g) Co-benefits and social implications.

82. Finally, risks relating to the conduct of activities by NAMA approvers may include the following:

(a) Institutional/national reputation;

(b) Application of complicated procedures;

(c) Lack of consistency;

(d) Failure to track implementation;

(e) Fraud/corruption;

(f) Lack of, or conflicts with, potential funding sources;

(g) Delays in the approval process;

(h) Inability to deal with uncertainties and assumptions;

(i) Lack of interest from potential NAMA developers.