



# CAF's ROLE IN THE NAMA DESIGN AND ITS FINANCE

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**Regional workshop on promoting international collaboration to facilitate  
preparation, submission and implementation of NAMAs**

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**Latin American Climate Change Program**

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**CAF's role in the NAMA design and its  
finance**

Through its Latin American Climate Change Program (PLACC), CAF contributes to the Mitigation and Adaptation to global climate change and promotes sustainable and low carbon development of Latin America

- Mitigation of climate change and Carbon Markets. Assist Latin American countries in the development of cost-effective and innovative actions in the economic sectors that have the potential to mitigate green-house gases, staying in line with the countries sustainable development goals, and optimize and act as a catalytic actor of international funding channeled to policies, plans, strategies, and projects for mitigation of climate change in Latin America.
- Adaptation to Climate Change. Promote and assist planned processes of adaptation to climate change of Latin American countries, at different levels such as policies, plans, programs, and projects to promote their sustainable development and the readiness for international climate funding.

# From CDM project developer to broad based vehicle for sustainable development

From CDM project developer to broad based vehicle for sustainable development.

The strategic area of mitigation seeks to unlock the mitigation potential of Latin American and Caribbean countries, leveraging international funds and supporting economic sectors and activities that have the potential to mitigate climate change in a cost-effective way while contributing to national development. In parallel, the adaptation strategic area has the objective to promote and support planned processes of adaptation at the level of policies, plans, programs and projects.

- MEXICO**
  - BRT Macrobus Guadalajara
  - Eurus Wind Park
- GUATEMALA**
  - Hydroelectric Project Hidroacabul
- HONDURAS**
  - Cogeneration CHERSA
- EL SALVADOR**
  - La GEO S.A. de C.V., Berlin Geothermal Project, Phase II
  - Hydroelectric Project Papalosa
  - Najayo Landfill gas to Energy Project
  - Francisco Morazan El Cajon Hydroelectric Project
- NICARAGUA**
  - Sequestration, use and reduction of methane leakage Vinosa Anasáncil Trasmisión Project at Compañía Licensora de Nicaragua S.A.
- PANAMA**
  - Gas Project Cerro Pavaón Landfill
- PERU**
  - Egancor electric generation projects
  - San Gabán river hydroelectric project power station
  - Yucán hydroelectric power station
  - Maple ethanol and maple biofuels
- BOLIVIA**
  - Hydroelectric power Taquid
  - Expansion of the Zongo Valley Hydroelectric System
  - Combined Cycle Guaracachi
  - Electric energy transmission Tarija-Punsuma
  - ISA electric interconnection
  - Electric energy transmission Caranavi-Trinidad Line
- ARGENTINA**
  - Combined cycle Conversion of existing open cycle gas turbine to combined cycle at the General Termica Patagonia power station
  - Wind Farm Madryn I&II
  - Wind Farm Norek, South and West
  - Capture, storage and decomposition HFC23 Prio Industrias Argentinas S.A.
  - Electric power interconnection Comahue-Cuyo
  - Electric power interconnection Rincón Sama María-Rodríguez

- JAMAICA**
  - Wigton Wind Farm projects
- COLOMBIA**
  - Cogeneration INCAUCA
  - Transport BRT MIO Cali
  - Transport BRT Megabus
  - Transport BRT Transmetro
  - Transport BRT Transmilenio Phase II to IV
  - Reforestation Forestry Project in Strategic Ecological Areas of the Colombian Caribbean Savannas
  - Reforestation Commercial on lands dedicated to extensive cattle grazing activities in the region of Magdalena Bajo Suro
  - Doha Juana landfill gas-to-energy projects
  - Hydroelectric power Central Hidroeléctrica Chiver S.A.
  - Hydroelectric power ISA electric interconnection
  - Hydro-cogamaco generation, ISAGEN S.A.
  - Biofuels Biocastilla
  - Thermal power generation Termo Rubiales
  - Thermal power generation Termoforce
- VENEZUELA**
  - Hydroelectric power station Caruachi
  - Hydroelectric power station Tucoma
- BRAZIL**
  - Hydroelectric power Santa Lucia
  - Cogeneration Jallas Machado Bagasse
- ECUADOR**
  - Calape hydroelectric project
  - Hydroelectric power Mazar Dudas
  - Dasta-Peripa hydroelectric central station
  - Cogeneration Ecoelectric
  - Transport BRT ENOP Q
- URUGUAY**
  - Thermal power Punta del Tigre

- GERMANY**
  - CAF-KW-LAIF: Technical cooperation funds in areas with potential GHG emission reduction. Undertaken in conjunction with Kreditanstalt für Wiederaufbau and the Latin American Investment Fund from European Commission, provides funds for small-scale hydroelectric stations, refrigeration chains and energy efficiency in the industrial sector.
  - CAF-KW: Climate Change Concessional Credit Line. Granted by Kreditanstalt für Wiederaufbau to support climate change projects aligned with the Initiative für Klima und Umweltziele (IKLU), such as renewable energy, energy efficiency environmental protection, investments in energy efficient transport systems, adaptation to climate change and ecological development of metropolitan areas.
  - CAF-LAIF-KW (LACFF): Innovative scheme of guarantee funds for CDM registered projects that require investments to improve the performance of the project from GHG reduction perspective. Undertaken in conjunction with Kreditanstalt für Wiederaufbau and the Latin American Investment Fund from European Commission.
- JAPAN**
  - CAF-JEIC: Fintec loan granted by the Japan Bank for Cooperation under its GREEN Initiative in Latin America, supports projects eligible to the Clean Development Mechanism.
- HOLLAND**
  - CAF- Netherlands CDM Facility. Promotes and enables GHG emission reduction purchase transactions of Latin American projects eligible to the Clean Development Mechanism.
- FRANCE**
  - CAF-LAIF-AFD: Green Growth Credit Line: Undertaken in conjunction with Agence Française de Développement and the Latin American Investment Fund from European Commission, provides funds for projects in transport, energy, water and sanitation projects.
- SPAIN**
  - CAF-Spain: Iberoamerican Carbon Initiative. Supports clean technology transfer, as well as sustainable development projects in Latin America.



## Clean Development Mechanism Portafolio 2002-2012

# NEW OPPORTUNITIES

NATIONALLY APPROPRIATE MITIGATION ACTIONS (NAMA).

NAMAs provide an opportunity to reduce green-house gases emissions at country level, achieving large scale abatements based on a government support to mitigation activities in specific sectors.



### ■ NAMA's Technical Assistance Fund: 1 MUSD

**Objective:** Supports to Latin American countries, shareholders of CAF, in the design and readiness of NAMAs.

- It has supported the development of 4 NAMAs Idea Notes (Panamá – Renewable Energy, Peru and Uruguay – Sustainable Housing, Ecuador – Waste Management)
- Currently CAF supports the development of One Concept NAMA in Argentina.

It is expected to support the design of other 3 Concepts NAMAs the next year.

### NAMA's Technical Assistance Fund - Eligibility Criteria

- i. Sector
- ii. Consistency with National Policy
- iii. Financial support from the Government or other parties.
- iv. Contribution to Sustainable development
- v. Technical & Financial feasible
- vi. Institutional feasibility
- vii. Mitigation Potential
- viii. MRV



## Other related Initiatives

### ■ LAIF (UE) – KfW – CAF: 1 MEUR

**Objective:** Supports on the analysis of the market and determination of financial requirements

- Market and Feasibility studies, e.g. Cogeneration in Colombia, Mexico and Uruguay;
- Market and Feasibility studies, e.g. Cement Industry in Ecuador, Mexico and Peru;

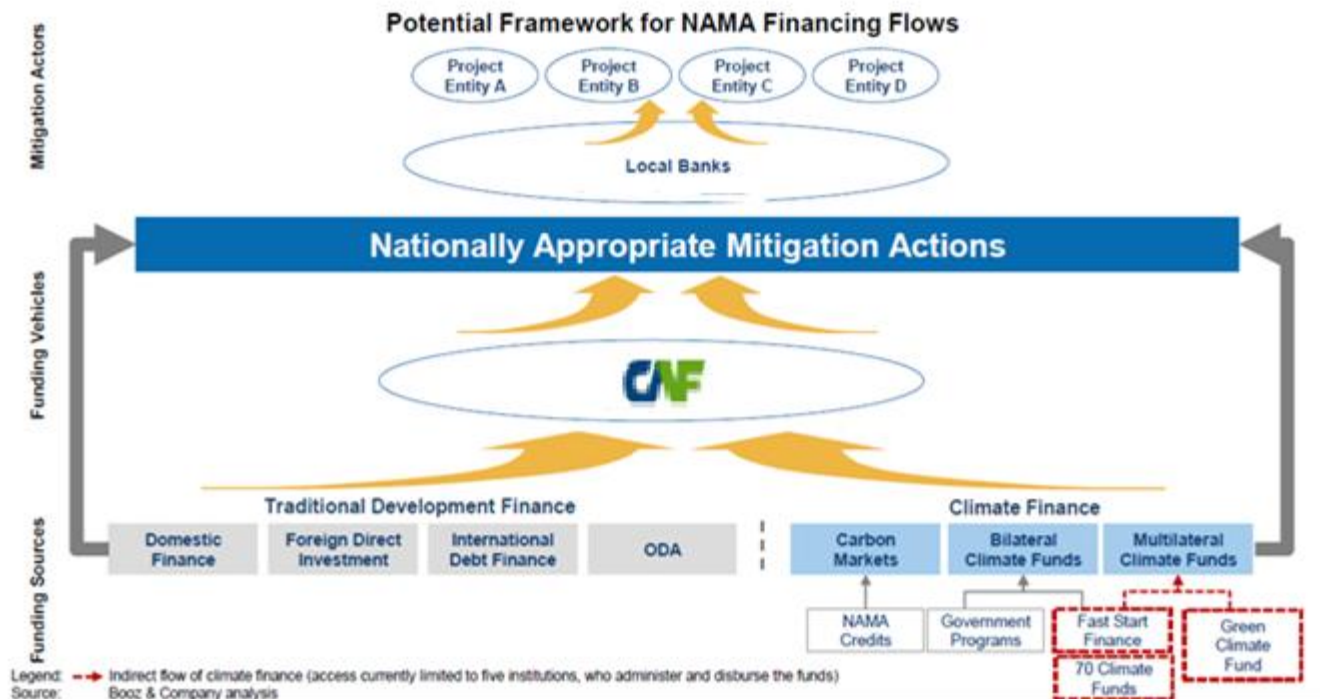
### ■ UNFCCC/CAF Regional Center of Collaboration

**Objective:** Supports the **development of Baselines**, among others.



CAF supports the implementation of the NAMAs through:

- **Serves as a bridge** between Latin American Governments and international climate funds or developed countries to ensure channel resources for the NAMAs, e.g. European Union (LAIF), NAMA Facility



- Application for Implementing Agency of the Global Environment Facility (GEF)
- Application for Implementing Agency of the Adaptation Fund
- Active participation in the design and implementation of the Green Climate Fund (GCF)



ADAPTATION FUND

**GCF**  
Green Climate Fund

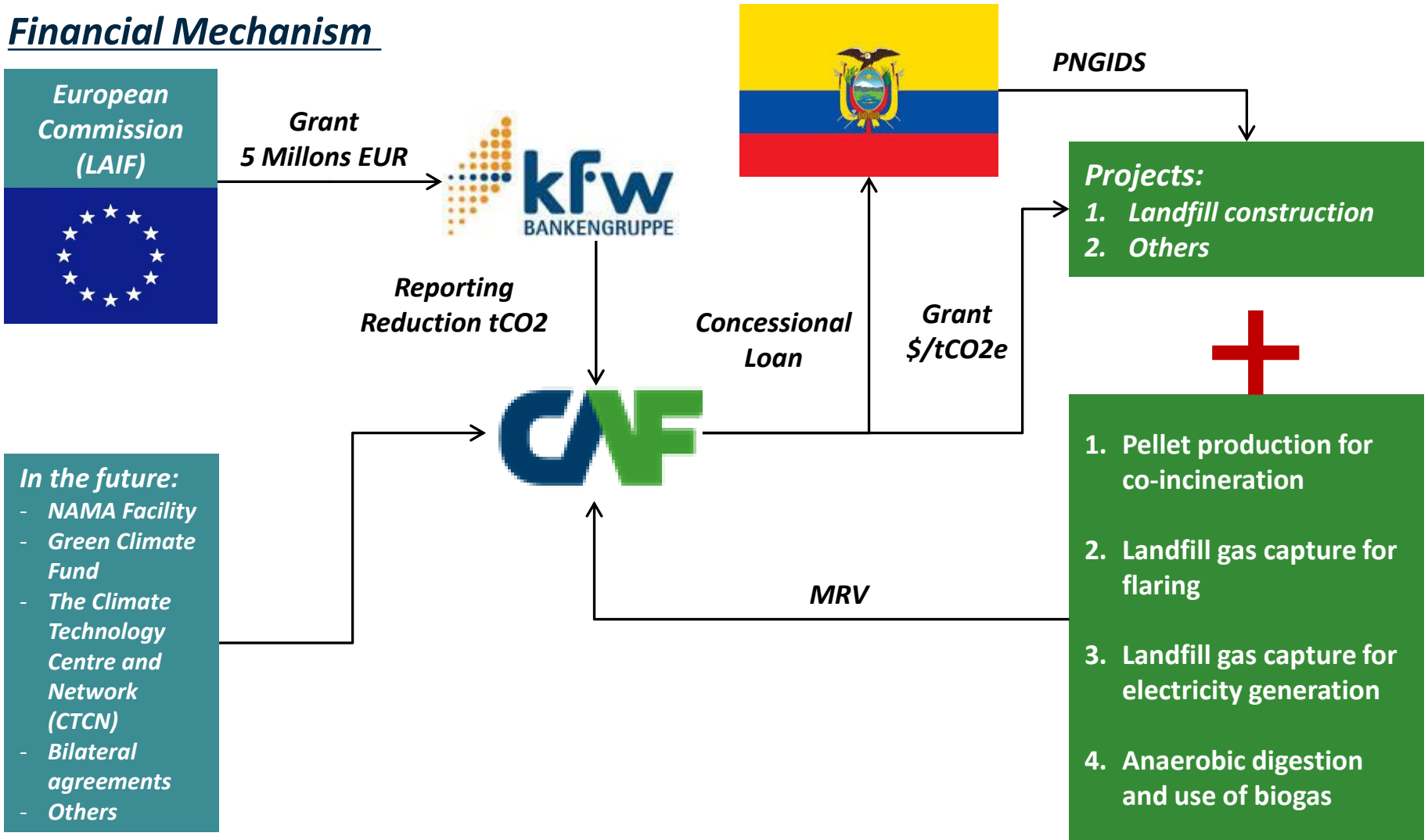
- **Concessional finance** (Projects to reduce the emissions of GHG)
  - Program for Promotion of Sustainable Energy Projects
  - Credit line with AfD for Green Growth
  - Renewable Energy and Energy Efficiency CAF-KfW Program + Climate Change Mitigation and Adaptation
  - JBIC Green Line for Renewable Energies, Energy Efficiency and GHG mitigation
  - PROPEL - Special Financing Program for Clean Energy Projects

- **Grants - Performance Based Climate Facility** (funding through UE Initiative (LAIF) - KfW – CAF)

### ***Integrated Solid Waste Management Mitigation Actions at disposal sites in Ecuador***

- This NAMA aims to develop integrated solid waste management systems in the stages of disposal and/or processing, managing and monitoring of waste materials.
- The NAMA will include actions to avoid the formation of methane and actions to capture the methane that comes from landfills. Among the main types of actions/projects applicable to the NAMA are the following:
  - Pellet production for co-incineration: projects that use biomass as raw material for the production of pellets that will be co-incinerated
  - Landfill gas capture for flaring
  - Landfill gas capture for electricity generation
  - Anaerobic digestion and use of biogas

## Financial Mechanism





# Many Thanks!!

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