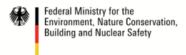
### NAMA FACILITY





# The NAMA Facility – Support for the Implementation of NAMAs

UNFCCC NAMA Regional Workshop
22-25 April, Vientiane, Lao People's Democratic Republic

Alexandra Needham, FCO, UK Miriam Ott, BMUB, Germany

### **NAMA Facility: Purpose and Facts**

#### **Purpose:**

- Demonstrating a framework for providing tailor-made climate finance for developing countries in the field of mitigation.
- Building on existing support by funding the <u>implementation</u> of transformational NAMAs seeking international support, thus delivering concrete results on the ground.
- Raising ambition to close the global emissions gap and address the lack of NAMA climate finance.

#### **Facts:**

- Officially announced by Germany and the UK at COP-18 in Doha
- Germany and the UK have jointly committed € 120 million of funding
- First pilot project is already under implementation: Mexican EcoCasa Programme

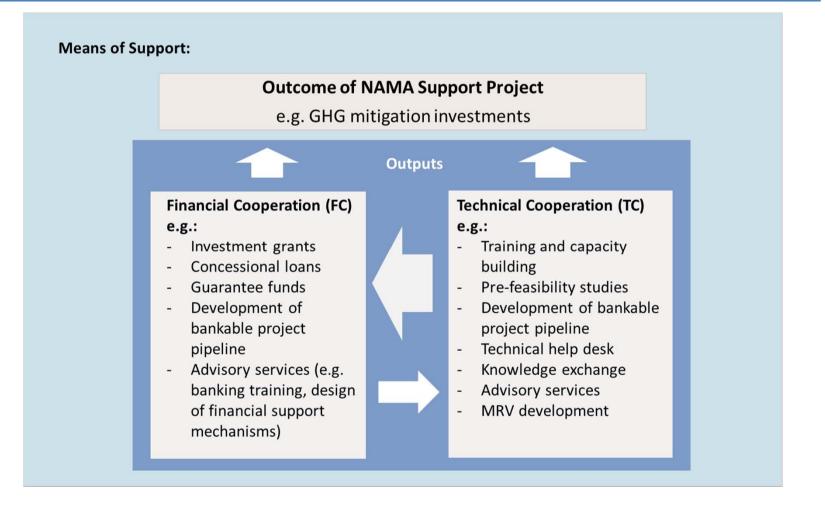
# **Means of Support**

### Overarching sector-wide NAMA

NAMA Support Project

- Provides support for the implementation of parts of a NAMA = NAMA
   Support Project
- Uses full range of development cooperation instruments
- Builds on existing channels of delivery

## **Means of Support**



### Governance

#### **NAMA Facility Board**

(representatives of BMUB and DECC, open to other potential donors)

Central decision-making body of the NAMA Facility representing the donors

- Sets NAMA Facility policies and guidelines
- Approves funding for the implementation of NAMA Support Projects

#### **NAMA Support Projects**

To be implemented by implementing partners and qualified delivery organisation(s) (TC/FC)



### **Technical Support Unit**

Acts as the secretariat that supports the NAMA Facility Board and interacts with delivery organisation(s)



- Procedures and processes
- Financial management
- Reporting to the donors
- M&E framework and plans



#### **Qualified Delivery Organisation(s)**

Assessed against transparent criteria (e.g. proven track record and experience, appropriate legal status...)

## **Project Cycle of the NAMA Facility**

#### **STEP 1 – Project Outline**

Call for NAMA Support Project Outlines by NAMA Facility

**Submission of NAMA Support Project Outlines** 

Verification of general eligibility criteria and evaluation against ambition and feasibility criteria by TSU

**Pre-selection** of the most ambitious outlines by the **NAMA Facility Board Appraisal mandate** for pre-approved NAMA Support Projects

National government (with DO endorsement) or DO (with national government endorsement)

In addition an external assessment of the TSU's project evaluation is conducted



#### STEP 2 – Project Proposal

In-depth appraisal and submission of **NAMA Support Project proposals** 

Evaluation against ambition and feasibility criteria by TSU

Final NAMA Support Project approval by the **NAMA Facility Board Implementation mandate** for approved NAMA Support Projects



#### **STEP 3 – Project Implementation**

NAMA Support Project implementation

**FC:** DO and national implementing partner(s) (e.g. national development bank)

**TC:** DO and national implementing partner(s) (e.g. sector ministry)

TSU Technical Support Unit of the NAMA Facility

DO delivery organisation

FC financial cooperation

TC technical cooperation

# **Selection Criteria of the NAMA Facility**

The selection of NAMA Support Projects is based on three sets of criteria:

- General eligibility
- Ambition
- Feasibility/readiness

**Focus:** 

**Ambition** 

Potential for transformational change

**Mitigation ambition** 

**Financial ambition** 

Sustainable development co-benefits

### The First Call for NAMA Support Project Outlines

- 47 NAMA Support Project Outlines were submitted.
- Wide and even geographical and sectoral coverage
- The following NAMA Support Project Outlines were pre-selected for funding
  - Chile Self-Supply Renewable Energy in Chile (SSRE)
  - Colombia Transit-Oriented Development
  - Costa Rica Low Carbon Coffee
  - Indonesia Sustainable Urban Transport Programme (SUTRI NAMA)
- Pre-selected projects are currently undergoing an in-depth appraisal.
- The TSU provided feedback to all countries and delivery organisations, whose NAMA Support Project Outlines were not selected during the 1st Call

# Why these NAMA Support Projects?

- The four projects scored between 18 and 24 points out of 25 on ambition.
- All four projects showed a very high level of feasibility, with some minor aspects that require further clarification during the in-depth appraisal.

#### Remarkable aspects:

- Colombia: combination of sustainable transport and urban development, linked to large national investment programme of more than USD 500 million
- Chile: wise combination of FC (investment grant and guarantee fund) and TC (improve awareness and local capacities) measures, as well as involvement of the private sector, contribution of domestic funds of EUR 14.5 million
- Costa Rica: objective to transform an entire economic sector, addresses the whole chain of coffee production, domestic contribution of EUR 3 million
- Indonesia: combines institution building, capacity building and investment measures, close collaboration between national and sub-national level (cities), domestic contributions of EUR 50 million

### **Lessons Learned from the First Call**

- High level of international attention demonstrates the demand for mitigation finance.
- Availability of support and definition of criteria has encouraged the development of a significant project pipeline across different sectors and regions.
- Complex sectors like transport and agriculture, which were not well suited to being tackled by CDM/JI, are now effectively addressed through the concept of NAMAs.
- Project outlines generally rated higher on ambition than on feasibility criteria.
- NAMA preparation should increasingly focus on
  - elaborating of a solid project structure
  - setting up financial mechanisms designed to overcome the specific barriers for investment and to leverage additional public and private finance.

### **Lessons Learned from the First Call**

- In preparation of the second call, the processes and documents were revised based on the lessons learned:
  - General Information Document (more detailed guidance)
  - Outline Template (restructured, more sub-questions)
  - Additional provision of information on the website (<u>www.nama-facility.org</u>)

### **Second Call for NAMA Support Projects**

- The € 70 million from the initial replenishment have been fully committed
- BMUB and DECC have committed additional € 50 million in 2014
- A second call started on April 7th and will be open until July 15th 2014
- Information on the second call is available at <a href="https://www.nama-facility.org">www.nama-facility.org</a>

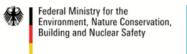
Call for projects

April 7th – July 15th

**Evaluation of NAMA Support Projects according to criteria** 

Communication of results
4th quarter 2014

### **NAMA FACILITY**





# Thank you for your attention!

For further information please go to www.nama-facility.org

or contact the Technical Support Unit at <a href="mailto:contact@nama-facility.org">contact@nama-facility.org</a>