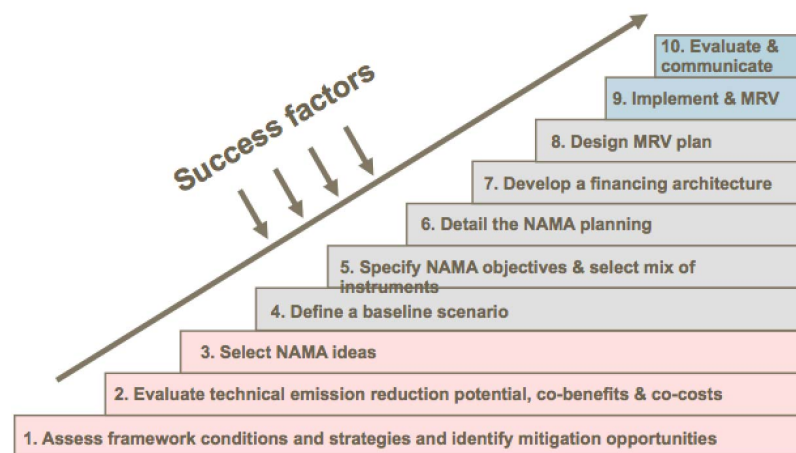


GIZ NAMA Tool

Steps for moving a NAMA from idea towards implementation

5 April 2017, Kigali, Rwanda

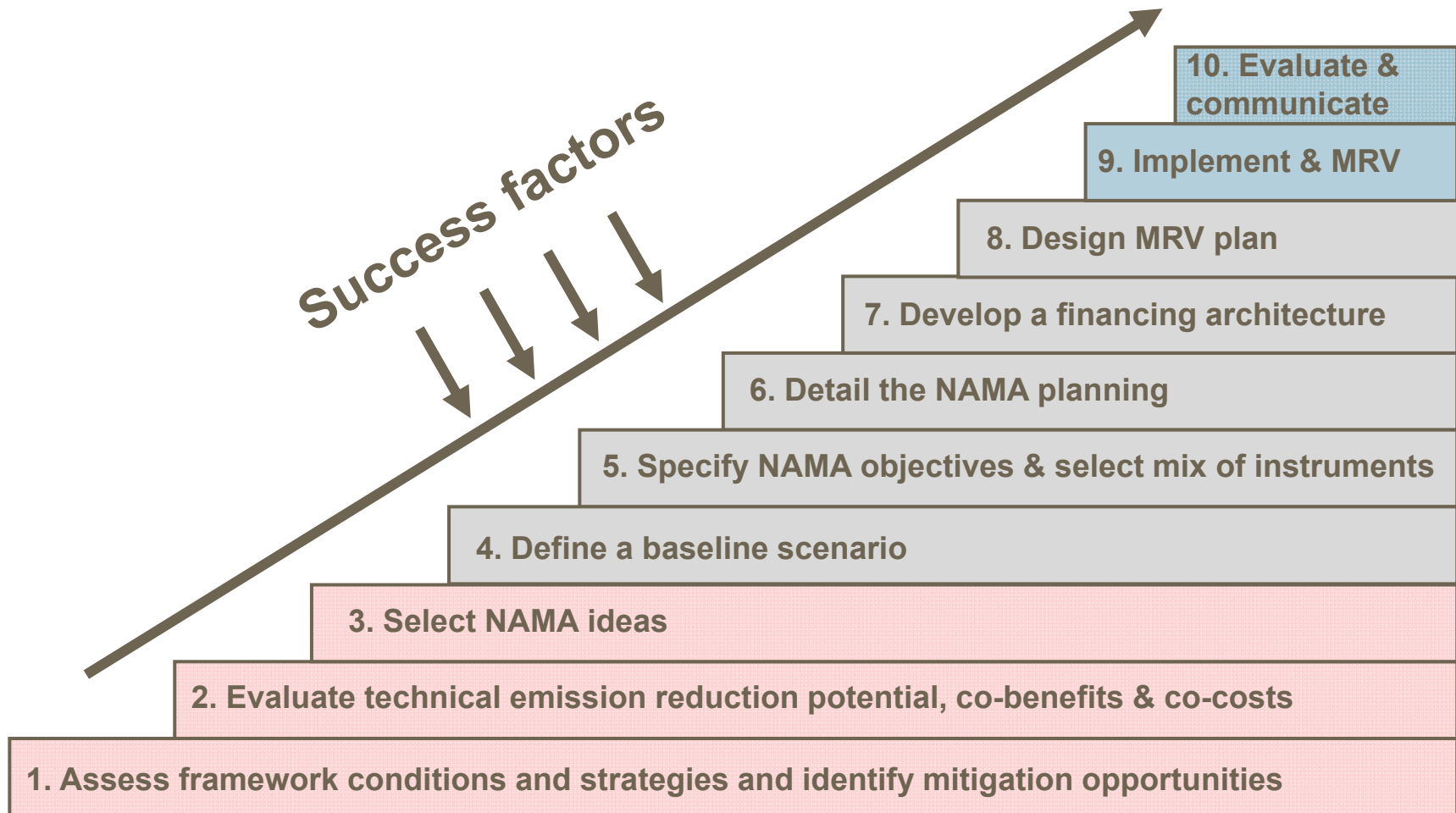
Mr. Sven Egbers





Selected list of current GIZ NAMA projects

Country	NAMA Support project
Mexico	Housing NAMA
Peru	Sustainable Urban Transport NAMA
Costa Rica	Low Carbon Coffee
Kenya	Mass Rapid Transport System for Nairobi
Tunisia	Scaling up RE and EE in the Building Sector
Chile	Chilean Self-supply Renewable Energy NAMA
China	Integrated Waste Management
Thailand	Thai Rice NAMA
Tajikistan	Forestry NAMA



LEDs/NDCs NAMA design & MRV requirements

The tool is available here:

http://mitigationpartnership.net/sites/default/files/u1585/nama_tool_9.0.pdf

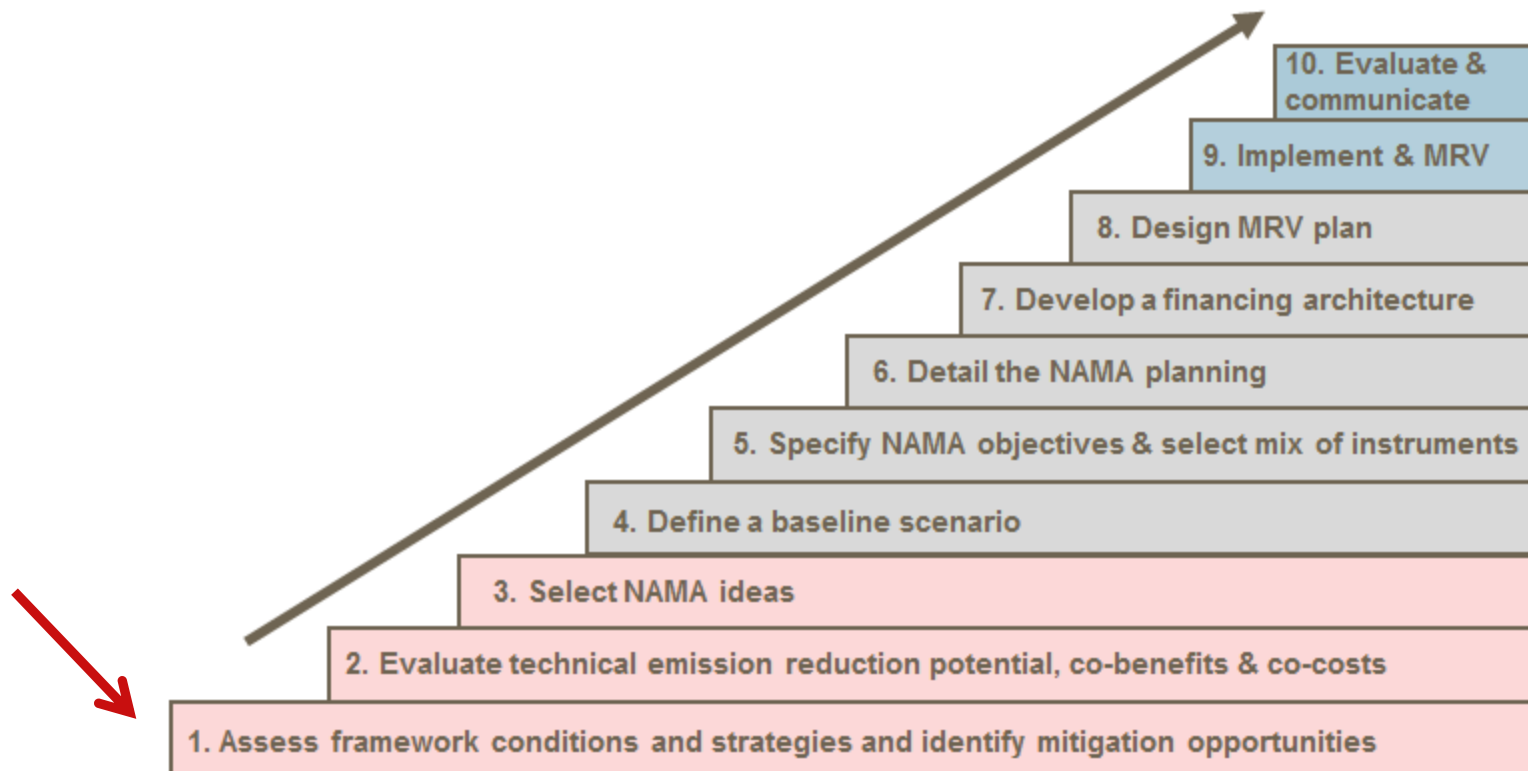


GIZ NAMA-Tool and NAMA-Training

- The **NAMA Tool** provides developers and implementers of NAMAs with brief instructions on how to develop a NAMA.
- The tool supplies users with more data and accessible instruments for certain aspects of the NAMA development. **Important:** Steps don't have to be followed in this order step by step.
- Navigation tool, guiding practitioners through the process of developing a NAMA. It is **not an instrument for the implementation of NAMAs**.
- GIZ developed a **NAMA Training** based on the NAMA Tool, which supports countries in preparing NAMAs



Step 1: Assess framework conditions and strategies and identify mitigation opportunities





Step 1: Key messages

Align NAMAs with national strategies!

NAMAs should be embedded into a long-term vision in line with national strategies (for example: **(I)NDCs**, LEDS, sectorial level strategies)

- (I)NDCs can guide NAMA development
- NAMAs can benefit from INDCs



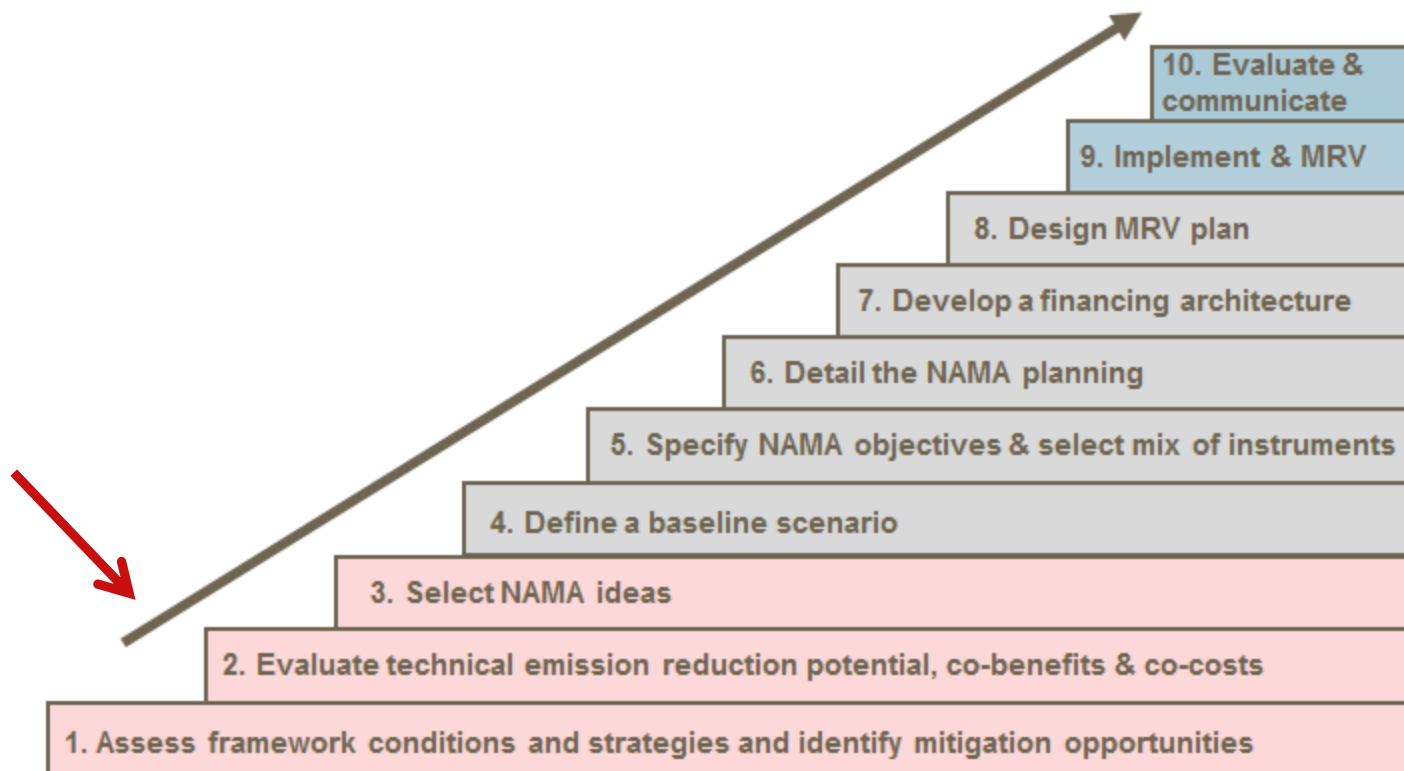
Step 1: Key messages

Involve all relevant stakeholders!

- involve all relevant stakeholders right from the beginning
- High-level political commitment together with collaboration and coordination between ministries are important
- Ensuring sustainability by involving all local stakeholders as well as ministries is key in all NAMA phases from development to implementation and monitoring.



Step 2: Evaluate technical emission reduction potential, co-benefits & costs



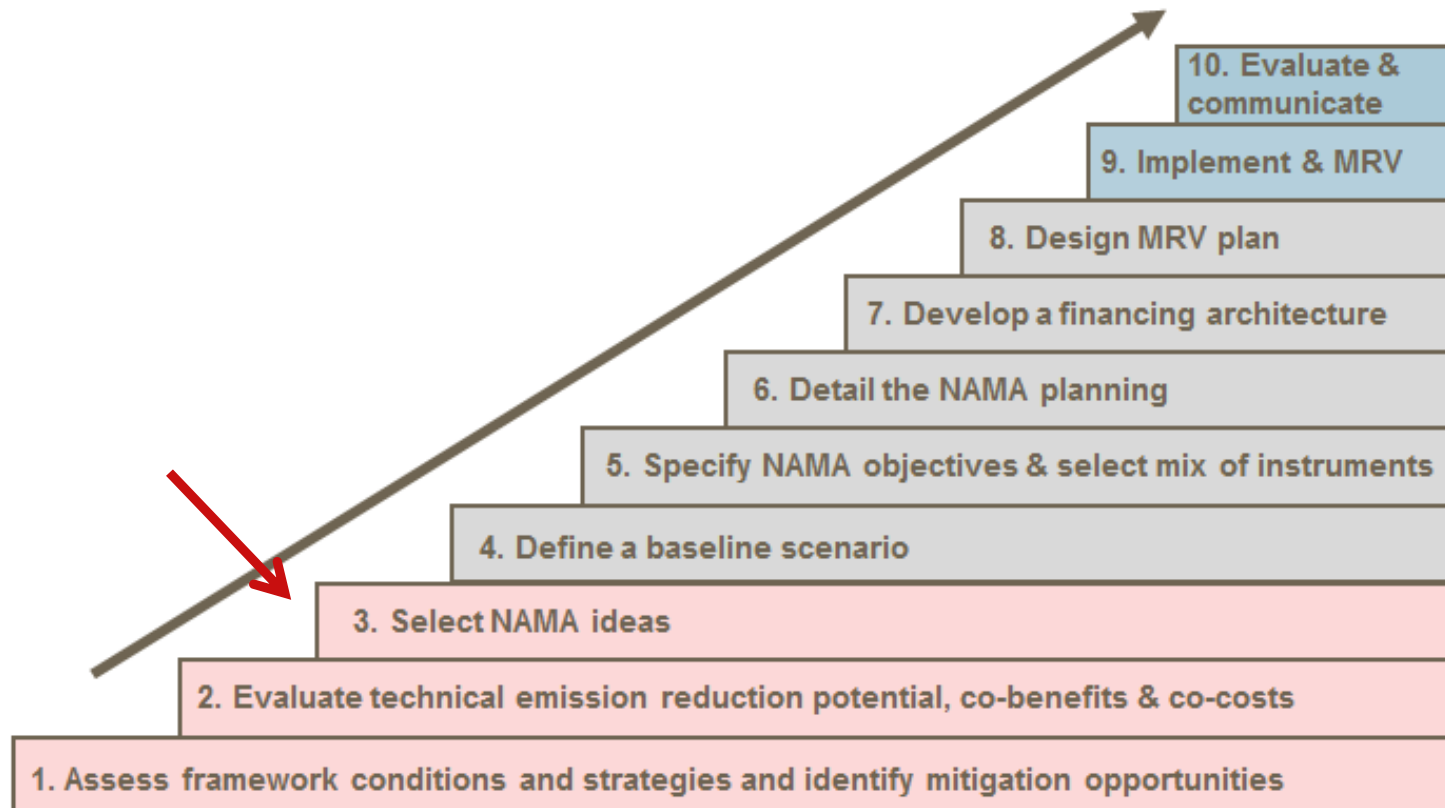


Step 2: Key messages

- An analysis of technical potential of GHG reduction can be (at this level) **quite « simple »** (rough estimation) and not a detailed
- The assessment of technical potential, costs and co-benefits is used to **pre-assess the “value”** of a NAMA or to prioritize between different NAMA ideas.
- **Important!** The motivation/driver to the development of a NAMA does not have to be the mitigation potential in the first place
 - In other sectors the GHG reduction potential is the co-benefit



Step 3: Select NAMA ideas





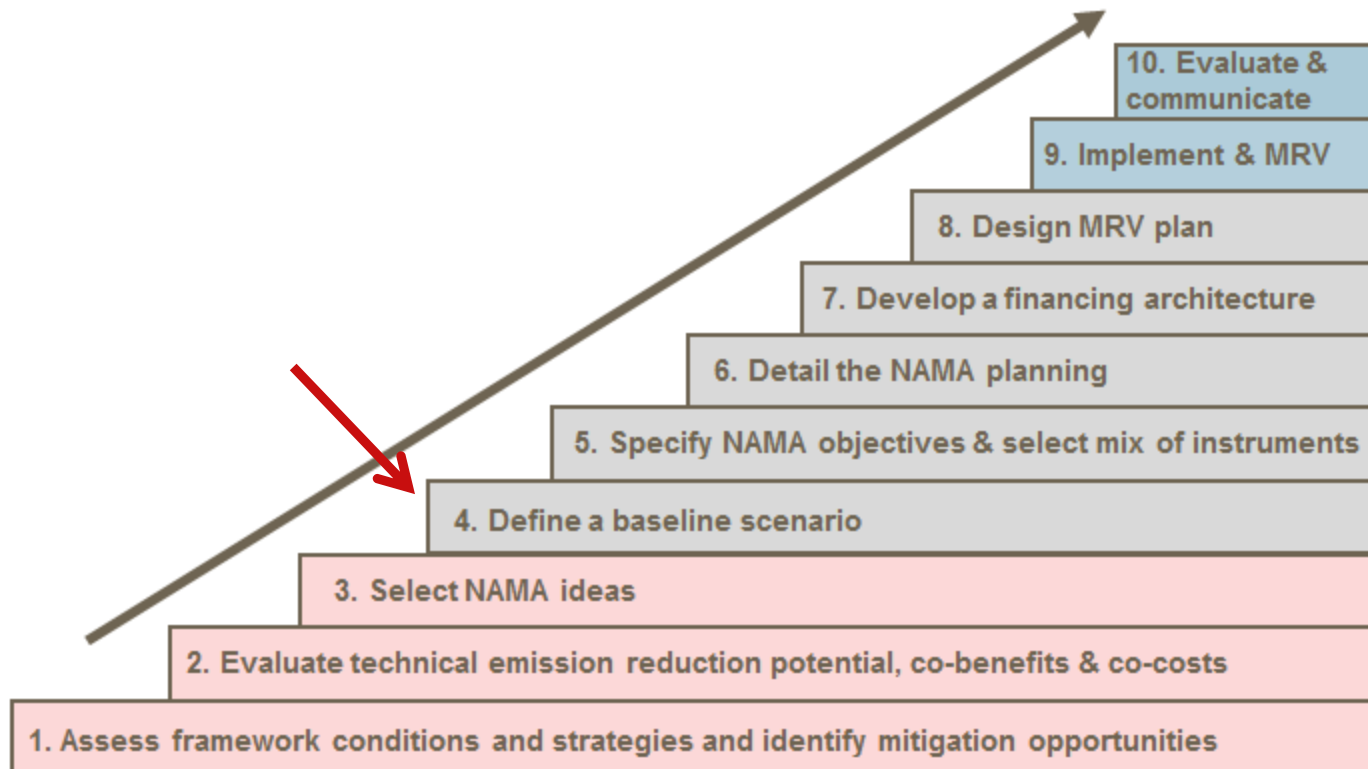
Step 3: Select NAMA ideas

Key messages

- Do not take too many technical details into account during the prioritization process
- Involve potential (national and international) investors since the beginning to ensure availability of resources and to take NAMAs' quality criteria into account
- Strengthening existing programs instead of starting projects from scratch



Step 4: Define a baseline scenario





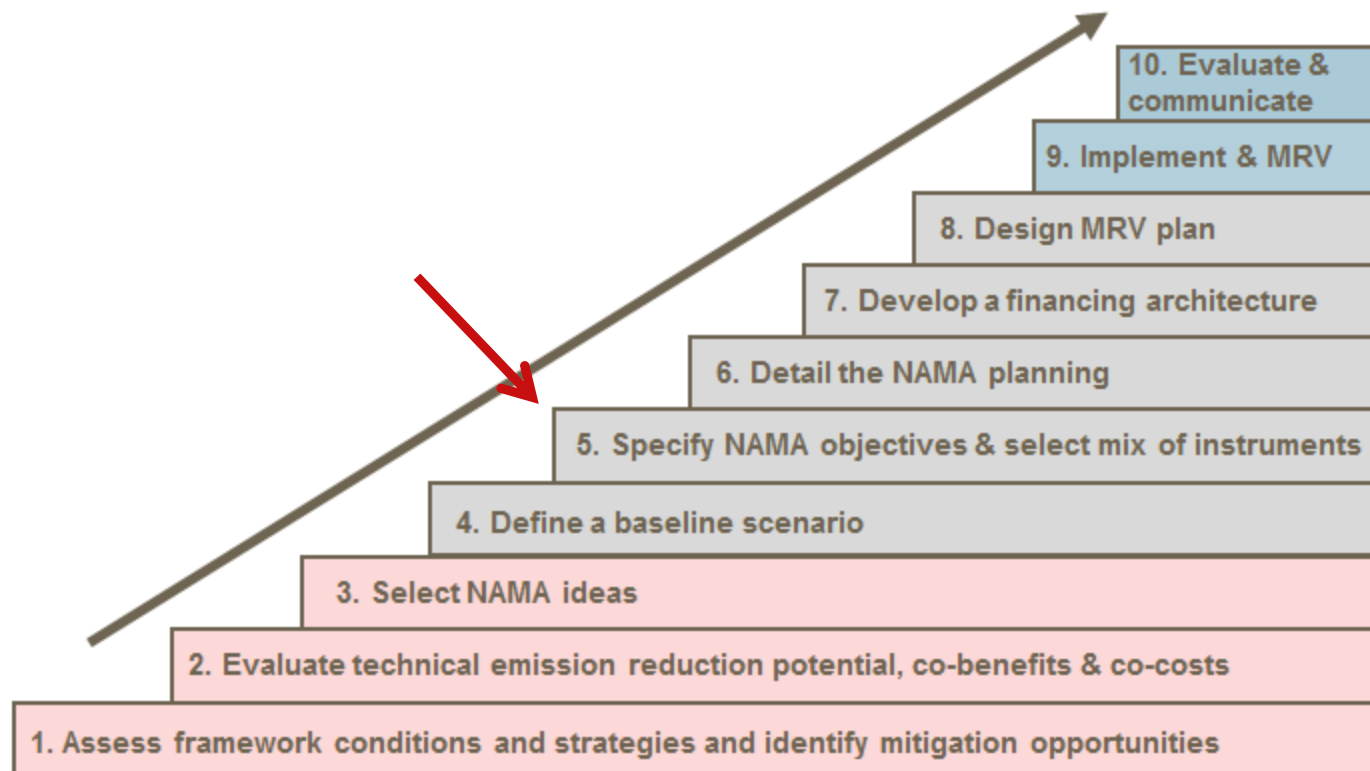
Step 4: Key messages

Key messages

- Making an ex-ante estimation is much more difficult than an ex-post analysis! Using or basing oneself on **existing official estimations** helps to:
 - Spare efforts regarding the development of the business as usual scenario
 - Be in accordance with already existing works (for ex. taking into account emission factors of the existing GHG inventory, using the population forecast of the Ministry of Economic Development)
 - **Make use of existing data, don't make it too complicated** to get the process started

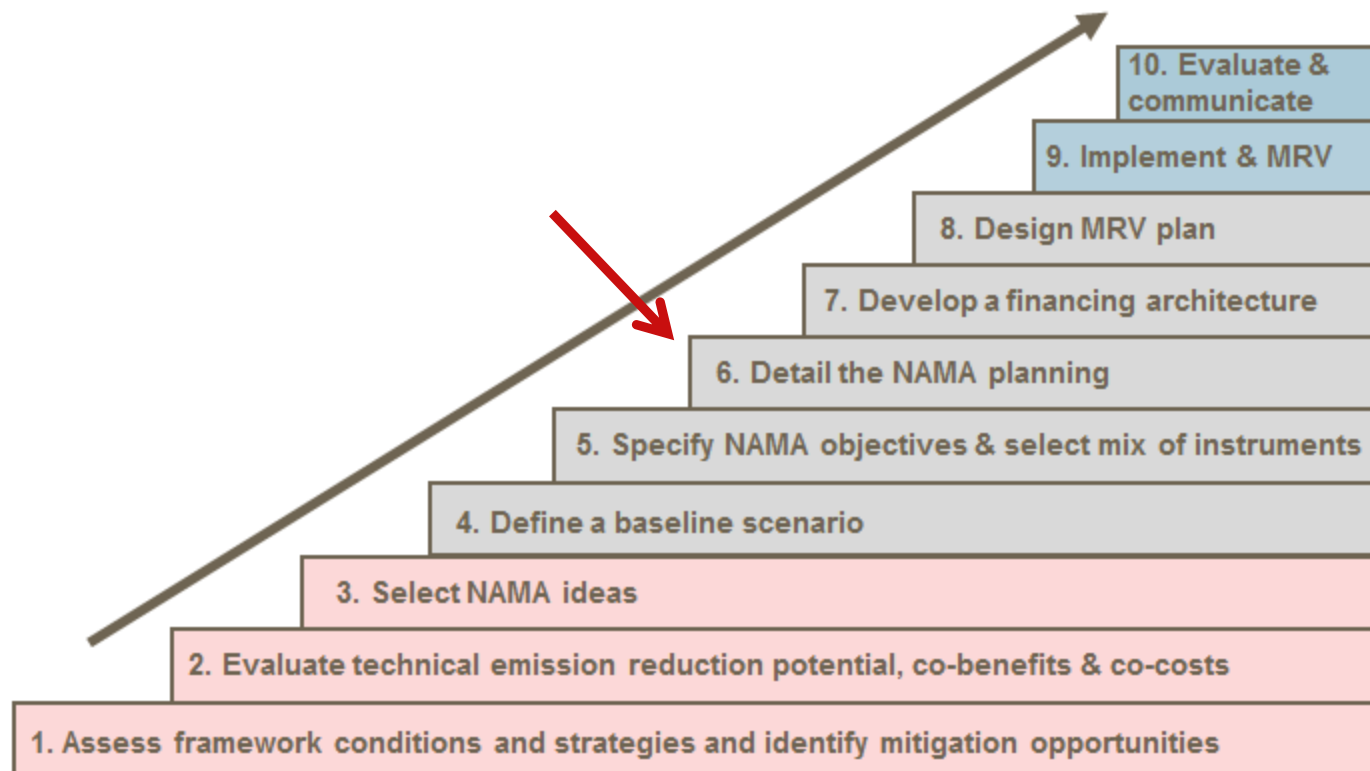


Step 5: Specify NAMA objectives & select mix of instruments





Step 6: Detail the NAMA planning



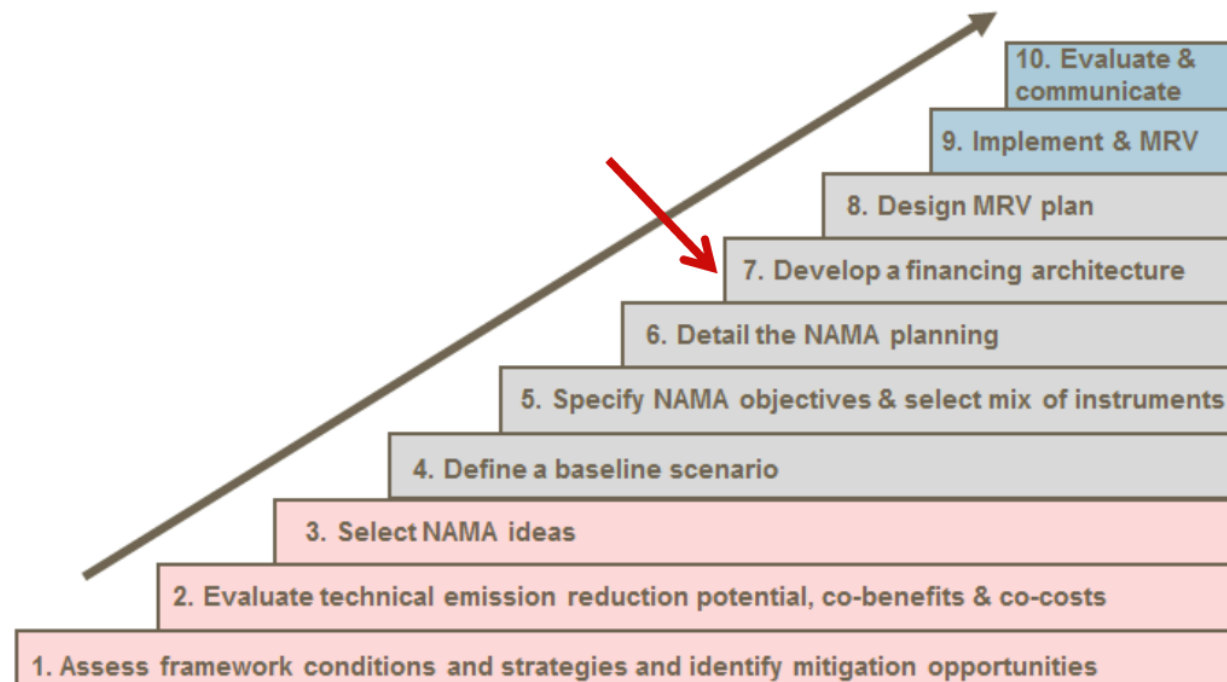


Step 5 and 6: Key messages

- NAMA Implementation plan should be based on a realistic analysis of:
 - Existing procedures
 - Institutional structures, available capacities and instruments
 - Conflicts and potential oppositions
 - Define realistic calendar



Step 7: Develop a financing architecture



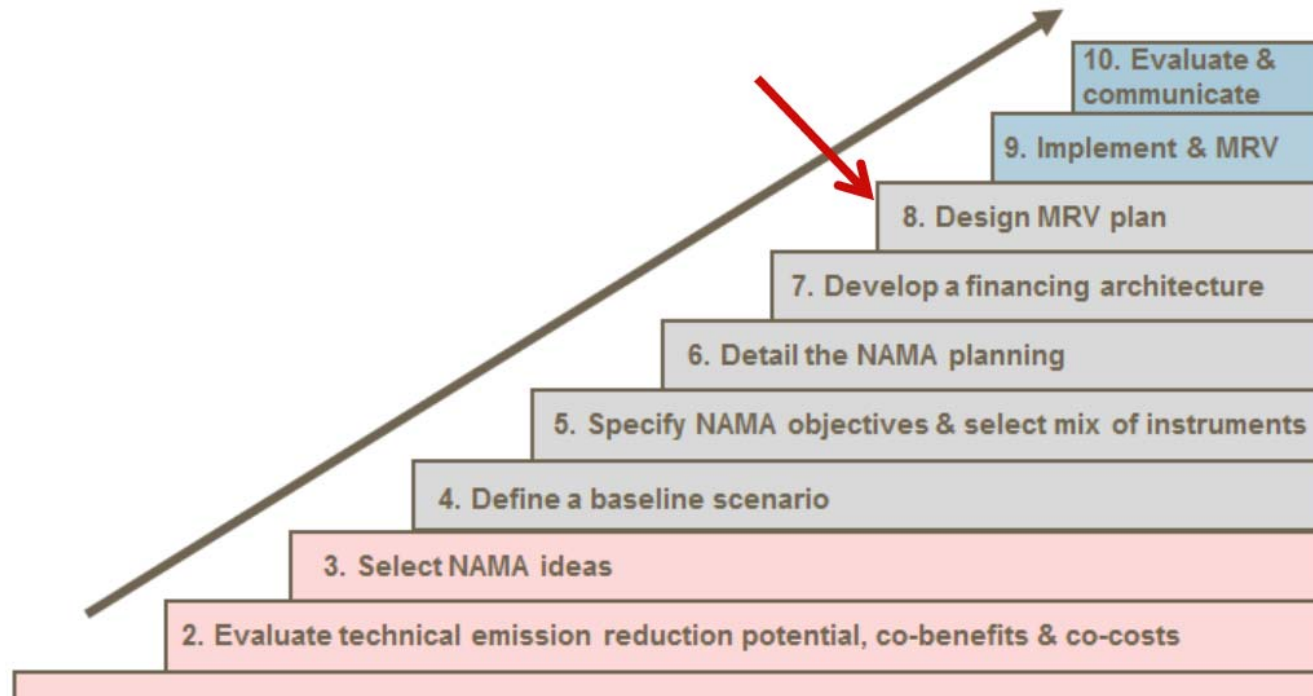


Step 7: Develop a financing architecture

- Depending on cost structure and revenue streams, the major portion of NAMA financing has to come from **domestic sources**
- International climate finance can be used to **catalyze** investments positive investment decisions
- Engaging the local **private finance sector** early is important to secure NAMA financing in the long run (and is a source of expertise and experience); real demands and requirements of the financial sector have to be taken into account



Step 8: Design MRV-Plan



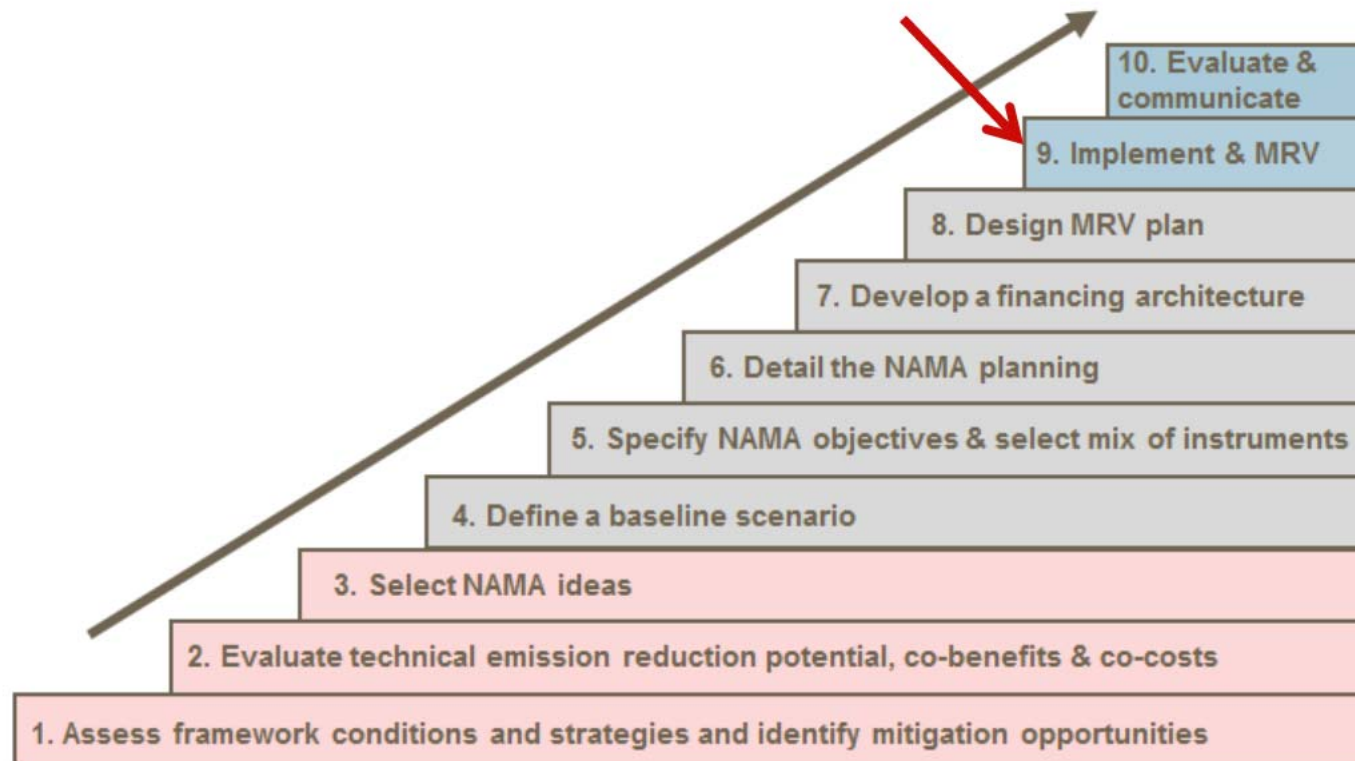


Step 8: Design MRV-Plan

- **You cant manage what you cant measure.** You have to track the progress of the effectiveness of your NAMA interventions
- Not over-complicate MRV; most of the necessary data might already be available (map out data collectors and flows), identify relevant stakeholders and gather data in simple excel spreadsheets to start with
- Answers to the questions on **what** to measure, how to measure, **when** to measure and **who** should measure build the basis for a robust MRV system and could be used to develop an implementation plan for the NAMA



Step 9: Implement and MRV



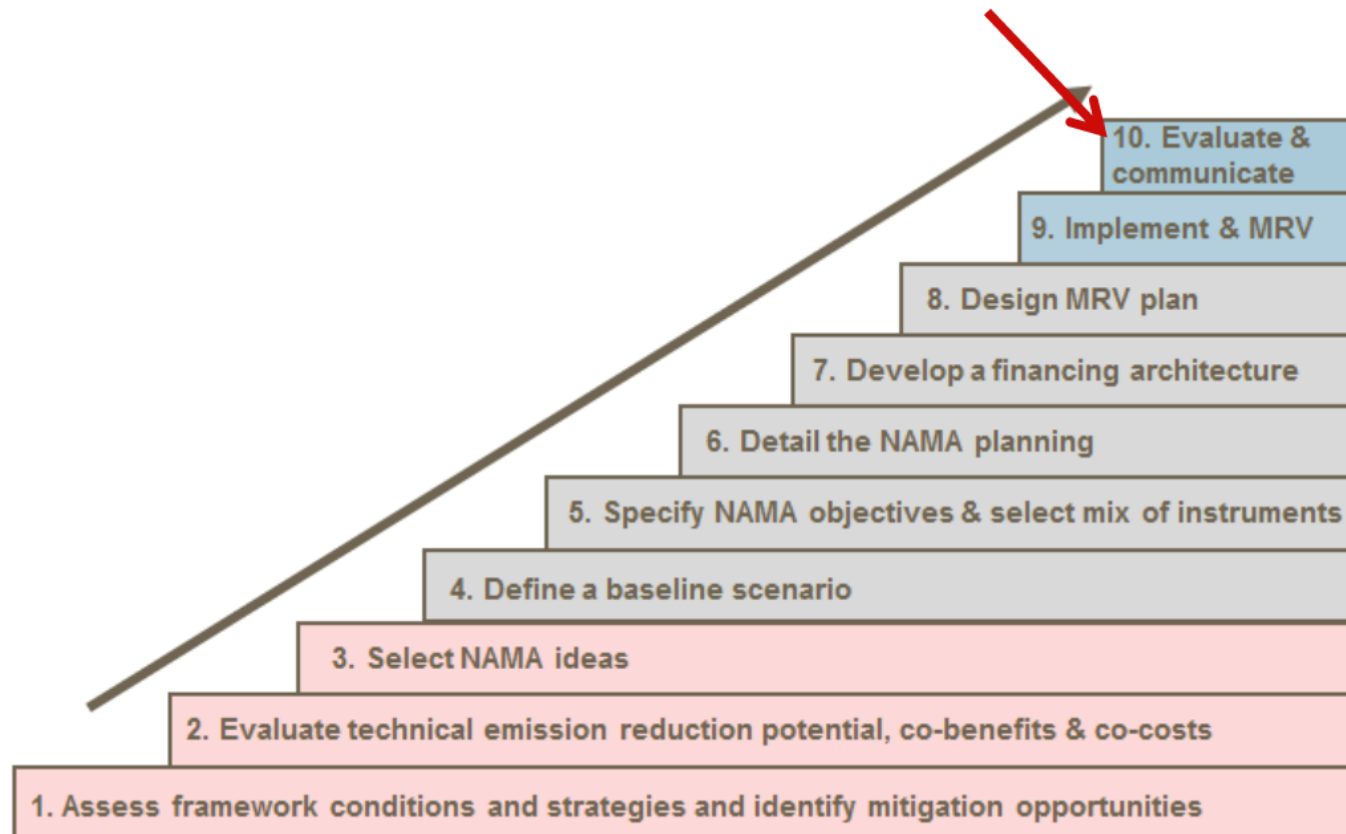


Step 9: Implement and MRV

- Once implementation is underway, a timeline for planned interventions should be followed, financial and organizational management must be carried out, and progress should be monitored.
- The MRV plan that was agreed upon during the NAMA's design phase (see Step 8) must be operationalized to measure, report and verify ex-post the emission reductions, as well as other MRV-able aspects of the NAMA, such as its co-benefits.



Step 10: Evaluate and communicate



Step 10: Evaluate and communicate

- Initiate a learning process: Identify the best practices and share them with peers as well as during negotiations. Identify lessons learnt over the process and continuously enhance procedures



Good Practice Database

- Documents more than 100 examples of mitigation-related good practices worldwide which demonstrate how INDCs, LEDS, NAMAs and MRV systems are being effectively designed and implemented across a range of national contexts.
- Online available at <https://www.transparency-partnership.net/gpa>





Example 1: Burkina Faso

The NAMA aims to **reduce emissions associated with biomass use** and respective **deforestation** e.g. for thermal energy use in the commercial sector by distributing more energy efficient cook stoves for traditional beer brewing and the production of Shea butter and sumbala (condiment).

Good Practices:

- **Participatory process:** inclusion of local markets as well as the use and support of existing institutional and social structures such as beer-brewing associations facilitates sustainable structural change of value and supply chains and leverages investment.
- **Scientific analysis:** in the design and development phase, it is vital to invest in “translating” informal to formal information by documenting and analyzing informal sector information (e.g. on value chains) and integrating this information into NAMA development in a structured way (feasibility studies). Financial analysis is important to enable access to financial instruments and negotiate with local banks.



Example 1: Burkina Faso

Overcoming challenges

- **Information:** awareness raised by reaching out to local energy end users. Presentation of a video that showed beer brewers talking about positive experiences in a night cinema setting.
- **Financial:** using existing interest groups to organize self-help groups can leverage communal start-up investment in efficient technology too expensive for individual producers.
- **Socio-cultural:** demonstration is key for adoption of new technology. Beer brewers who saw the benefits of cleaner cook stoves that produced less smoke/enhanced beer's taste more readily accepted new technology.
- **Institutional:** support to set up institutional components, investment of time in building relations and developing projects.



Example 2: Ecuador

Implementation of a NAMA in the **residential sector** promoting the introduction of induction cookers as a way of **improving energy efficiency** through the Liquefied Petroleum Gas (LPG) Substitution Programme (PEC)

Good Practices:

- **High-level political ownership:** the President has been actively involved in the NAMA process by supporting the initiative publicly and inviting citizens/stakeholders to be part of the process.
- **Participatory process:** all relevant stakeholders involved, from public/private sectors, including industry and business representatives, in the NAMA design process to ensure adequacy and sustainability of the mitigation action.
- **Embedding into national frameworks:** alignment with Ecuador's National Development Plan "Good Living 2013–2017". This plan provides a legal framework for the PEC and ensures its compatibility with other development goals.



Example 2: Ecuador

Overcoming challenges

- **Financial:** the large costs induced by the PEC are offset by its expected profitability: savings through phase-out of LPG subsidies, decline in marginal price for electric cook stoves once market well established, re-payments through households serving their low-interest loans
- **Socio-cultural:** strong communication strategy (campaigns through different media) to reach out to target group and convince stakeholders of advantages of new technology



Example 3: Kingdom of Denmark

Danish energy policy mandates the **complete phase-out of fossil fuels** in the energy supply by 2050. The 2012 Energy Agreement sets targets of 35% renewable energy in final energy consumption, approx. 50% of electricity consumption provided by wind power and a 7.6% reduction in gross energy consumption (in relation to 2010) by 2020.

Good Practices:

- **Participatory process:** Denmark attaches particular importance to the collaboration between the government and industry representatives.
- **Scientific analysis:** a sound data basis allowed politicians to engage in an objective debate on a renewable energy policy and facilitated broad coalitions beyond party boundaries.
- **Long-term vision:** in a developed country context, as is Denmark, setting long-term targets and sub-targets allows for long-term planning and fosters a favorable investment climate, incentivizing private investment beyond legislative periods.



Example 3: Kingdom of Denmark

Overcoming challenges

- **Information:** programs that inform the population about short-term costs and long-term gains, best practices on energy savings, schemes to encourage energy providers to make energy efficiency changes that will reduce energy bills
- **Financial:** use of a mix of financial incentives (tax structures, subsidies) to facilitate change to a system that distributes costs across consumers, companies and industries
- **Socio-cultural:** to face NIMBY phenomenon, stakeholder involvement of consumer groups and NGOs. Compensation of loss of property due to wind projects through regulation.