

A pro-business tool in the fight against air pollution



FILE - In this March 16, 2011, file photo, exhaust rises from smokestacks in front of piles of coal in Thompsons, Texas. A federal appeals court on Tuesday ordered the Environmental Protection Agency to relax some limits it set on ... [more >](#)

By Ned Helme - - Wednesday, September 2, 2015

A little-known tool for fighting air pollution is growing in scope and impact and is disproving the conventional wisdom that every plan to help the environment will inevitably harm businesses.

NAMAs, or Nationally Appropriate Mitigation Actions, are not even a decade old, but have already attracted billions in funding and are proving to be a market-friendly way to reduce greenhouse-gas emissions in developing nations, which need the help most.

Through these transformational programs in the waste, transport, energy and a range of other sectors, countries cut emissions while creating jobs and businesses, reducing poverty and improving public health. They level the playing field for climate-friendly technologies to compete while they produce real and lasting progress toward the global effort to prevent dangerous climate change.

The seed for the NAMA concept was planted in the summer of 2007 at the [Center for Clean Air Policy](#)'s (CCAP) "Future Actions Dialogue."

The concept was simple: developing countries would devise locally effective ways to reduce greenhouse gas emissions. Developed countries would provide some kick-start financing and other forms of support to help bring these actions to fruition and help them become sustainable, autonomous businesses.

Climate experts have recently begun working directly with developing countries in the development of specific NAMAs on the ground. In Colombia, for example, [CCAP](#) experts worked to reduce carbon emissions from personal vehicles. The program reduces the need to drive and encourages public transportation by clustering low-income housing and retail shops around mass transit hubs. Governments and taxpayers will save money through reduced infrastructure costs while private developers are finding new investment opportunities – all while reducing greenhouse gas emissions.

Chile faces the threat of a significant expansion in new coal-burning power plants to meet its growing demand for electricity. At the same time, it also has an abundance of wind and sun that can also be tapped. A NAMA-like mechanism was set to stabilize the price of renewable-produced electricity until the marketplace was strong enough to support renewable energy by itself. Clean power from renewable sources is now displacing new coal-generated electricity, which produces large quantities of greenhouse gases.

To succeed, NAMAs must be host-country driven, should strive to be sector-wide programs with a national scope and should include both policies and financial mechanisms that address the main barriers to pollution mitigation. They also should create on-going sustainable businesses.

In May 2013, the [Center for Clean Air Policy](#) hosted a summit in Copenhagen that brought together developing-country officials from Latin America and Asia with potential funding countries, development banks and financial institutions. Fourteen NAMAs were presented at the summit. In addition, the United Kingdom and Germany announced guidance for the first round of their joint NAMA Facility, the first to specifically focus on financing NAMAs.

In its first round of funding, the U.K.-Germany NAMA Facility selected the Colombia transportation NAMA, as well as NAMAs in Chile, Costa Rica, Mexico and Indonesia for funding. The Facility has since pre-approved four more proposals and has opened a call for more. The donor base of the facility has broadened to include Denmark and the European Commission.

John Morton, Chief of Staff of the United States Overseas Private Investment Corporation, said: “It’s clear that these NAMAs are filled with bankable private sector investment opportunities.”

Going forward, financing for ambitious mitigation actions needs to be increased. Fortunately, the international community is responding, principally through the Green Climate Fund. Established at the 2010 climate conference in Cancun, the GCF received \$10 billion in pledges from developed and developing countries to begin work in 2014. The U.S. Congress needs to approve

President Obama's budget request for the U.S. part of this funding, following the example set under the George W. Bush administration.

NAMAs reduce the emission of pollutants that cause global warming while also promoting growth and improved health and quality of life for citizens. Not only do greenhouse gas emissions fall, but local people and businesses tangibly benefit. NAMA development has shown that, with the right environment, many of the opportunities to protect the planet are also great opportunities for the private sector.

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