Presentation of the Germany/UK NAMA Facility

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Facts NAMA Facility

- Launched 6 December 2012 in Doha
- Part of industrialized countries commitment to jointly mobilise $100 billion international climate finance per year by 2020.
- Facility directly addresses the process under UNFCCC focusing on mitigation planning and implementation at country level.
- Germany and the UK will jointly provide €70 million of funding (Germany €40 million, UK £25 million)
- First project likely to be funded is the Mexico Housing NAMA
Purpose of the NAMA Facility

- Answer to funding needs of developing countries
- Supports implementation of transformational NAMAs
- Provides support for (parts) of NAMAs via the full range of development cooperation instruments
- Includes both financial support instruments (grants, concessional loans and guarantees) but also technical cooperation instruments (e.g. capacity building) where closely linked to or combined with financial instruments
- Complements existing initiatives for NAMA development and fosters implementation
- Facility addresses the need to raise ambition and increase action to close the emission gap and the lack of climate finance
- Aims to deliver concrete results in relevant places
Governance

- Central decision making body: NAMA Facility Board formed by DECC and BMU (open to potential other donors)
- Board takes all relevant decisions related to strategy, guidelines and selection of proposals for NAMA Support Projects for funding
- KfW and GIZ will together provide a Technical Support Unit (TSU) with a secretarial function
Selection Process

- Call for Proposals > submission of project outlines to the TSU by national governments as well as qualified delivery organisations (with strong government endorsement) (standardized template)

- Selection of NAMA support projects will follow a 3-step process:
  - STEP 1: Outlines for NAMA Support projects are appraised by the Facility’s TSU following a set of selection criteria > Board Decision on pre-approval of project outlines
  - STEP II: In-depth appraisal and final Board Decision > Board will select proposals for NAMA Support Projects based on a comprehensive appraisal (including feasibility studies/appraisal missions).
  - STEP III: NAMA Support Project Implementation
Selection Criteria

- Selection criteria compose different types of criteria, which will be applied at different stages in the selection process.
- **Eligibility Criteria** serve as a first stage of selection – project outlines will need to fulfill all of these essential requirements to proceed.
  - Eligibility Criteria are: *(extract!)*
    - Eligibility of the submitting entity
    - Endorsement by the national government
    - ODA eligibility
    - Degree of Maturity (Readiness)
    - Concept for the phase-out of support
Selection Criteria II

- **Ambition Criteria**: Outlines for NAMA Support Projects complying with the Eligibility Criteria will be assessed against their ambition.
  - Ambition Criteria are:
    - Potential for Transformational Change
    - Mitigation Potential
    - Development co-benefits
    - Financial ambition (co-financing from national budgets/private sector)
  - Assessment allowing for ranking > Board decides which Outlines will be (i) pre-approved or (ii) rejected.
  - Rejected outlines might be further developed upon discretion of the Board > can help promising NAMA Support Projects to be considered at subsequent bidding rounds.
Next Steps

- Board is about to finalise the selection criteria as well as the necessary documents for a **Public Call for Projects**
- Standardized templates for submissions of outlines will be provided
- Call for outlines for NAMA Support Projects envisaged for Summer 2013 (concrete date to be confirmed)
- All relevant information on the NAMA Facility will be published on the web pages of DECC and BMU
- Presentation of the German/UK NAMA Facility in a dedicated event at the margins of the UNFCCC SB-38: Friday 07th June from 10:30AM – 12:00PM in Room 0.112
- Questions > contact david.potter@decc.gsi.gov.uk