

NAMA Facility

6th Call for NAMA Support Projects

Combined Frequently Asked Questions (FAQs) and Clarification Notes I, II, III + IV

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Abbreviations

ASP	Applicant Support Partner
DPP	Detailed Preparation Phase
FAQ	Frequently Asked Questions and Clarifications (a NAMA Facility document)
GID	General Information Document (a NAMA Facility document)
INGO	International non-governmental organization
NAMA	Nationally Appropriate Mitigation Action
NDC	Nationally determined contributions
NGO	Non-governmental organization
NSO	NAMA Support Organization
NSP	NAMA Support Project
UNFCCC	United Nations Framework Convention on Climate Change

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Question	A) Eligible countries
FAQ 1	<p>Q: Which countries can apply in the 6th Call?</p> <p>A: Any country that is ODA-eligible throughout the NAMA Support Project's (NSP) Implementation Phase; the country must be included in the OECD DAC list.</p>
FAQ 2	<p>Q: Can a country apply in the 6th Call if the NAMA Facility already supports the country in implementing NAMAs that were selected in previous Calls?</p> <p>A: Yes, it can. Previous decisions do not influence the funding decision of subsequent NAMA Facility Calls. The NAMA Facility seeks to select the most ambitious NSPs submitted in a Call; it does not have a regional or country-specific focus.</p>
FAQ 3	<p>Q: Can a country submit more than one NSP Outline in the 6th Call?</p> <p>A: Yes, it can. Each Outline is assessed on its own merits based on the same selection criteria, regardless of whether it comes from the same or different countries. Please note that for each NSP Outline, a complete separate Outline should be submitted.</p>
FAQ 4	<p>Q: Do least-developed countries (LDCs) and Small Island States (SIDS) have a chance to be selected?</p> <p>A: Yes, they do and are strongly encouraged to submit NSP Outlines. Submissions to the NAMA Facility are assessed on their ambition and feasibility. The ambition level is assessed taking into account the country-specific context, including the overall mitigation potential and development level. NAMA Support Projects from LDCs and SIDS have been selected in previous Calls of the NAMA Facility.</p>
FAQ 5	<p>Q: Are cross-border and /or regional projects eligible for funding in the 6th Call?</p> <p>A: NSPs in the cross-border but also regional context are eligible; however, the NSP would be evaluated as if the NSP were submitted by each country. So, for all countries involved, the political commitment, readiness, implementation structure, etc. would be assessed. Endorsement letters from national ministries of all involved countries are required.</p> <p>In addition, such cross-border or regional approaches would need to demonstrate a common "raison d'être"; for instance, several small island states of a region could join forces within one NSP in order to achieve a reasonable project size. However, it would be difficult to make a case for the common raison d'être simply because an organisation is active in three or four countries across a continent.</p>
FAQ 6	<p>Q: As NAMAs are technically at the national level, how does a regional focus fit in? Could you please explain what you define as "regional"?</p> <p>A: NAMAs are indeed national per se; regional NAMAs could be considered in cases when several countries of a geographic region pursue a very similar mitigation policy and would join forces in submitting one NAMA application to develop a relevant size and lower transaction costs for the NAMA development and implementation, e.g. several SIDS of one region (see also FAQ 5).</p>
FAQ 7	<p>Q: Does the NAMA Facility apply a waiver process for Small Island States that are not ODA-eligible, but still are very vulnerable to climate change, suffer from large debt, and are in need for international support?</p> <p>A: Donors' commitments are earmarked ODA funding. There is no waiver process foreseen for non-ODA eligible countries. A country must be ODA-eligible throughout the entire NSP implementation period. (see also FAQ 1)</p>
FAQ 8	<p>Is there any regional preference in the 6th Call?</p>

	A: No, as in previous Calls, the NAMA Facility does not have any regional focus in the 6 th Call.
CN II-1	Q: Is there a per-country submission limit? A: No, there is no limit.
CN III-1	Q: Can an Outline also be submitted for an NSP in a country that has no NDC, but rather only an INDC? A: Yes, this is possible, as not all countries have yet submitted their NDC.

Question	B) Eligible sectors and technologies
FAQ 9	<p>Q: Are there any eligibility criteria or restrictions of the NAMA Facility regarding certain sectors and technologies?</p> <p>A: The NAMA Facility has no sectoral focus; therefore, in principle, NSPs from all sectors with a relevant mitigation potential are eligible. It is, however, required to demonstrate that the NSP supports transformational change towards a low-carbon pathway. The NAMA Facility’s interpretation of transformational change encompasses a significant technological paradigm shift that is quicker than business–as-usual, irreversible/permanent (i.e. not slipping back to the situation before the project) and that there is a strong political will and commitment to implement these changes.</p> <p>Therefore, certain technologies targeting a fossil fuel switch, a reduction of gas flaring, upgrading and modernising fossil fuel-based energy generation (e.g. coal) are likely to find it challenging to demonstrate the potential for transformational change. Based on the assessment of proposed NSPs from previous Calls, the NAMA Facility has compiled lessons learned for certain (sub-)sectors and technologies, including waste, energy efficiency in buildings, cook stoves, forestry and agriculture and supply chain approaches [see webinar and presentation]. Applicants are strongly advised to consult these and other NAMA Facility dissemination sources.</p>
FAQ 10	<p>Q: If a NSP aims to reduce the use of coal in industrial boilers, will it be considered as supporting coal technology and not eligible for NAMA Facility?</p> <p>A: This NSP is likely to face challenges in demonstrating its transformational change potential. See also FAQ 9.</p>
FAQ 11	<p>Q: Are technological pilots and research projects eligible for funding?</p> <p>A: Research projects and piloting of new technologies, which are not yet commercially available on the global market, are ineligible, whereas demonstrating an available technology that is new in a certain country context would be considered eligible.</p>
FAQ 12	<p>Q: Could the NSP include a mix of current efficiency technologies (that could mobilize short-term private investment) and creating a programme and financial mechanism that can support higher-risk, high-efficiency technologies over time?</p> <p>A: Yes, this is possible; however the NSP needs to demonstrate that the support of current efficiency technologies is a significant deviation from a BAU scenario and could thus still be considered transformational.</p>
FAQ 13	<p>Q: Are individual investment projects eligible?</p> <p>A: No, the NAMA Facility supports governments and their implementing partners in implementing (sub-) sector-wide mitigation actions rather than single investment projects such as one Solar PV plant or the refurbishment of a single building.</p>

FAQ 14	<p>Q: Is suppressed demand accepted for GHG emission reduction?</p> <p>A: Suppressed demand in connection with energy access would be acceptable for GHG emission reductions if it is based on renewable energy sources.</p>
FAQ 15	<p>Q: Do minimum energy performance standards and standards for building components count as policies, as they would create an enabling environment and thus would be eligible for NAMA Facility support?</p> <p>A: Yes, the introduction of standards can be part of the interventions supported as part of a NSP. They could trigger transformational changes in a certain sector if properly enforced.</p>
FAQ 16	<p>Q: Will the current portfolio and learning from previous Calls with regard to the mitigation effects in certain sectors influence the focus of this 6th Call?</p> <p>A: The NAMA Facility does not preclude projects types from certain sectors, i.e. NSPs targeting the agricultural and forestry sectors are not disadvantaged per se. Each Outline is assessed on its own merits.</p> <p>The guidance and lessons learnt suggest that NSPs are strongly encouraged to take into account appropriate calculation tools, methodologies and databases when calculating emission reductions in order to avoid an over-estimation.</p>
FAQ 17	<p>Q: Are NSP Outlines screened against existing NAMAs? If a similar NAMA exists in a different country/region, does that impact the likelihood of a positive assessment?</p> <p>A: As in the previous Calls, the NAMA Facility does not have a sector-specific focus, thus NSPs are not selected based on their thematic focus, but rather based on their ambition and quality. During the assessment of NSP Outlines, the sector relevance and NSP's potential to induce transformational change within the relevant sector is assessed in the individual country context.</p> <p>A NAMA must be country-driven and appropriate in the country context, thus designed individually. As there might be similar mitigation actions appropriate in a number of countries, proposed sectors and even proposed financing mechanisms might be similar across several countries.</p> <p>As a general rule, it is always positive if the proposed NSP incorporates lessons learnt in comparable programmes, whether they are financed by the NAMA Facility or by other sources.</p>
CN II-2	<p>Q: Are there any specific reasons as to why there are no oceans-related NAMA Support Projects (NSPs)?</p> <p>A: The NAMA Facility is open to a wide range of countries and sectors, and would be open to considering such a project. Please note that NAMAs (Nationally Appropriate Mitigation Actions) work towards supporting the achievement of a country's NDCs, and any ocean-based NSP would need to demonstrate how it is linked to the country's NDC.</p>
CN II-3	<p>Q: Can more than one sector be indicated on the Outline?</p> <p>A: Yes, if the scope of the NSP falls within multiple sectors, these can be indicated on the Outline.</p>
CN II-4	<p>Q: 1) Can an Outline be technology agnostic? 2) If so, would an NSP be eligible that supports corporations in developing GHG reduction targets and strategies that are in line with the Paris Agreement?</p>

	<p>A: 1) An Outline can, in theory, be technology agnostic, as long as it demonstrates how relevant mitigation effects are achieved within the NSP Implementation Phase, and fulfils the criteria laid out in the General Information Document (GID).</p> <p>2) However, as the NAMA Facility's focus is on the IMPLEMENTATION of mitigation actions, an NSP focussing on only DEVELOPING mitigation targets and strategies would not fully align with the NAMA Facility's objective.</p>
CN II-5	<p>Q: Is an NSP eligible if it proposes to establish pilot plants for supporting technology transfer and capacity building and supports the development of businesses for scaling up the technology installations?</p> <p>A: While such an intervention is not excluded from NAMA Facility funding, the NSP would need to demonstrate that it can achieve a relevant scale in the country context during the NSP Implementation Phase, a financing mechanism that mobilises additional financing sources and that it has a relevant direct and indirect mitigation potential. For more information on the expectation level see GID, and in particular on the assessment criteria, GID section 5.1.3.</p>
CN III-2	<p>Q: Regarding additionality:</p> <ul style="list-style-type: none"> • Do you accept the UNFCCC procedure in Tool 21 (https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-21-v12.pdf), which establishes a positive list for technology and project activity types that are defined as automatically additional, without going into the documentation of the barriers for certain project sizes up? • Do you also accept reference to the procedure in Tool 1 (https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-01-v7.0.0.pdf), where additionality is assumed to be given, if the project activity is first-of-its-kind? <p>A: Applicants may consider to refer to the procedure as a way to demonstrate additionality for individual investments targeted by the NSP. However, the provision of a barrier analysis for the overall NAMA is expected as a basis for the NSP rationale and design. Please also note that additionality needs to be demonstrated for the overall NSP and is not addressed or covered by the CDM/PoA procedures.</p>
CN III-3	<p>Q: Are activities from a country's National Adaption Programme of Action (NAPA) with clear mitigation potential eligible?</p> <p>A: The NAMA Facility's focus is on support MITIGATION action, while adaption might be a co-benefit. Hence, activities from the NAPA might be eligible if the mitigation aspect is a relevant feature and it contributes to the country's mitigation agenda.</p>
CN III-4	<p>Q: Does the GHG potential of a sector targeted by the NSP have to be explicitly mentioned in the NDC?</p> <p>A: No, this is not required.</p>
CN III-5	<p>Q: What exactly does it mean that the NSP should reference a specific NDC? Does the mitigation action need to be specifically mentioned in the NDC itself?</p> <p>A: The NSP should integrate into sector-wide programmes and policies that fall in line with the mitigation strategies outlined in the NDC.</p>
CN III-6	<p>Q: Is carbon sequestration in biomass (for example, agroforestry) eligible for NSP funding?</p> <p>A: Yes, carbon sequestration in biomass is eligible.</p>

CN III-7	<p>Q: Are projects aiming at emission intensity reductions eligible, e.g. in the livestock sector?</p> <p>A: It is not excluded. As all NSPs, this kind of NSP would also need to demonstrate that it brings the sector onto a low-carbon trajectory in line with the 2°C pathway.</p>
CN IV-1	<p>Q: Can a public utility be considered a final beneficiary of the NAMA Facility support?</p> <p>A: This might be possible but will depend on the project design.</p>

Question	C) Eligible Applicants / Applicant Support Partners /NAMA Support Organisations
FAQ 18	<p>Q: What is the difference between an Applicant and an Applicant Support Partner?</p> <p>A: As the NAMA Facility cannot directly contract national ministries for the Detailed Preparation Phase due to administrative reasons, if the Applicant is a national ministry, then the NAMA Facility requires an Applicant Support Partner (i.e. a legal entity) as the contracting partner for providing the funding support during the Detailed Preparation Phase.</p> <p>This legal entity could also submit the Outline itself if it has sufficient endorsement from the relevant national ministries. In this case, the legal entity would be called the Applicant.</p> <p>In either case, sections 1.2., 1.3. and 1.4. of the Outline template must be completed and endorsement letters from the national ministries must be submitted.</p>
FAQ 19	<p>Q: Can a legal entity act as Applicant/Applicant Support Partner and NAMA Support Organisation (NSO)?</p> <p>A: Yes, a legal entity can act as Applicant/Applicant Support Partner and NSO if it complies with the capacity requirements for NSOs. The distinction between the two roles was introduced to extend the possibility to participate Calls of the NAMA Facility to entities that have the experience and capacity to design projects without necessarily having the mandate, experience or capacity to implement them. Note that the capacity requirements for NSOs are higher than those for Applicants/Applicant Support Partners.</p>
FAQ 20	<p>Q: Can a sub-national government unit submit a NSP Outline in the 6th Call?</p> <p>A: The NSP needs to be endorsed by the national government. National ministries and/or qualified entities as defined in the General Information Document can submit a NAMA Support Project to the NAMA Facility. A sub-national government body can be a key implementing partner as defined in the General Information Document in section 3.5.</p>
FAQ 21	<p>Q: Can a local non-governmental organisation apply?</p> <p>A: Yes, a local non-governmental organisation can apply, if it receives sufficient endorsement from the government institutions relevant for the implementation of the NSP and if it complies with the capacity requirements listed in the section 5.1.1 of the General Information Documents.</p>
FAQ 22	<p>Q: Does the NAMA Facility apply some sort of accreditation system for potential Applicants?</p>

	<p>A: No, the NAMA Facility does not apply an accreditation system for potential Applicants. The qualification and eligibility will be assessed during the assessment phase.</p>
FAQ 23	<p>Q: What kind of legal status should the Applicant/Applicant Support Partner have?</p> <p>A: When the NSP Outline is not submitted by a national ministry, the Applicant/Applicant Support Partner should be a public benefit legal entity. All Applicants/Applicant Support Partners need to demonstrate that funds provided by the NAMA Facility serve and will be spent in line with the public benefit purpose in the context of international cooperation for sustainable development. Support granted by the NAMA Facility may not provide an economic advantage to the Applicant/Applicant Support Partner or any of the implementing partners.</p>
FAQ 24	<p>Q: How can private investors and private consultancies engage with the NAMA Facility's processes?</p> <p>A: Private investors can benefit from the NSP e.g. from improved framework conditions and support mechanisms newly established. As private investments are crucial for the transformation in most sectors, a close interaction between NSPs and the private sector is expected. The NAMA Facility funding may only be used for activities in line with the public benefit purpose and according to the applicable regulations on public procurement and state aid.</p> <p>Consultancies from the private sector are usually involved at several steps of the project cycle – they might be engaged in the development of NAMAs and even in formulating Outlines. During both the DPP and NSP implementation, Applicants/Applicant Support Partners or NAMA Support Organisations (NSOs) might also decide to engage external service providers to work on specific tasks. As a rule, the legal entity contracted for the DPP or NSP implementation will conduct and oversee the procurement process.</p> <p>The TSU requires private sector expertise for certain tasks like the assessment processes, monitoring and evaluation, communication, etc.</p>
FAQ 25	<p>Q: What is the requirement for a consortium to apply?</p> <p>A: A consortium needs to fulfil the eligibility and capacity criteria as stated in the General Information Document, section 5.1. A leading partner should be identified and the roles of all consortium partners must be well-defined and justified. The NAMA Facility does not set an upper limit to the number of organisations in a consortium but recommends keeping the number as small as possible. A formalised consortium is not a prerogative for two eligible entities to co-operate under one NSP. All consortium members should fill in Annex 3.</p> <p>The roles of the consortium partners should be described as detailed as possible in Outline section 1.6 and Annex 3.</p>
FAQ 26	<p>Q: If Applicants are a consortium, are there any administrative or legal documentation requirements to provide at Outline stage, e.g. signed letters from partners agreeing to be in a consortium?</p> <p>A: No, the NAMA Facility does not require such documentation at Outline stage. If available, it can be submitted to clarify the level of cooperation between the consortium members.</p>
FAQ 27	<p>Q: What would be the role of the Applicant Support Partner if the NSO is a different entity? Could the Applicant Support Partner become an implementing partner for the NSP?</p>

	<p>A: The Applicant Support Partner fulfils a functionality explicitly introduced for the DPP. The legal entity acting as Applicant Support Partner does not necessarily have a role to play in the implementation of the NSP. The Applicant Support Partner is, however, to closely collaborate with the designated NSO in the event that these two functions (Applicant Support Partner and NSO) are taken up by different legal entities. The separation of these functions was introduced to enhance access to the NAMA Facility, as some legal entities might be able to deliver high-quality support in detailing and preparing the NSP, but would not have the capacity or experience in implementing such large-scale projects.</p>
FAQ 28	<p>Q: If the legal entity acting as Applicant Support Partner is <u>not</u> the same as the legal entity acting as NSO, do these legal entities need to form a consortium and sign a legal agreement?</p> <p>A: No, there are no such requirements. The option of legal entities forming a consortium refers to each functionality separately (Applicant Support Partner/NSO).</p>
FAQ 29	<p>Q: Can the NSO be a national ministry?</p> <p>A: No, the NSO is the contracting partner during the NSP implementation and the NAMA Facility funding may not be provided directly to national ministries due to administrative constraints. A national ministry could, however, be a key national implementing partner. Please also refer to section 3.4 of the GID.</p>
FAQ 30	<p>Q: Are there any specific nationality requirements as part of the eligibility criteria that apply to the NSO?</p> <p>A: No, the NAMA Facility does not apply any nationality requirements to the NSO.</p>
FAQ 31	<p>Q: Can international development banks act as the NSO and also as the Applicant Support partner?</p> <p>A: Yes, they would be eligible, if they receive endorsement of the relevant national ministries. For further examples of NSOs, please see section 3.4. in the General Information Document.</p>
FAQ 32	<p>Q: Can a state government agency act as implementing partner of the NSO?</p> <p>A: Yes, this is possible and in many cases essential for triggering transformation change. On the role and examples for implementing partners see section 3.5 in the General Information Document.</p>
FAQ 33	<p>Q: Can NSO be consortium of two international partners?</p> <p>A: Yes, this is possible. See also section 3.4 in the General Information Document</p>
FAQ 34	<p>Q: Can the NSO also be a main implementing partner?</p> <p>A: Yes, this is possible.</p>
FAQ 35	<p>Q: Can the main implementing partners be international partners with regional or national offices in the country?</p> <p>A: Typically no. The main implementing partners should possess a specific national mandate for the implementation of the NAMA, which includes the mandate to take decisions that trigger transformational change. An international partner, as the main implementing partner, would need to demonstrate that it has this explicit mandate.</p>
CN II-6	<p>Q: Can the Applicant Support Partner (ASP) or NAMA Support Organization (NSO) be a consortium, and if so, how should that be detailed in the Outline? Furthermore, how would the funds then be disbursed to the consortium?</p> <p>A: Yes, both the ASP and the NSO can be a consortium. When a consortium is formed, the roles of all partners must be well defined, and a lead consortium member should</p>

	<p>be identified to become the contractual partner for the NAMA Facility Grant Agent. This partner is then the funds recipient. In the Outline, the consortium partners for the Applicant Support Partner should be described in Outline section 1.4 and Annex 3, and the consortium partners for the NSO should be described in Outline section 1.6 and Annex 5. Please see FAQ section C, specifically FAQ25, as well as and GID sections 3.5 and 5.1.1 for more information.</p>
CN II-7	<p>Q: How does the NAMA Facility define a legal entity? A: The NAMA Facility expects a legal entity to be an organisation that meets the eligibility requirements of an Applicant Support Partner and/or the NSO. There is no preference for one type of organisation over another. The NAMA Facility would not provide funding to individual persons. For more information, please see GID section 5.1 regarding eligibility requirements.</p>
CN II-8	<p>Q: Can private companies form a consortium, propose an Outline and receive funding? Or can private companies form a consortium with an international non-governmental organization (INGO)/non-governmental organization (NGO)? A: In the case of a consortium, all members should be public benefit legal entities. The support provided by the NAMA Facility can only be used for public benefit purposes. For options for the private sector to engage in the NAMA Facility, please also refer to FAQ 24. For more information regarding eligibility requirements, see GID sections 3.4 and 5.1.</p>
CN II-9	<p>Q: Can a UN organisation act as a NSO, Applicant Support Partner or other Implementing Partners? A: Yes, UN organisations are eligible for such roles, if they receive endorsement of the relevant national ministries. See FAQ 31 and FAQ section C for more information regarding eligibility.</p>
CN II-10	<p>Q: Can only national governments submit an NSP Outline? A: National governments as well as other organizations are eligible to submit NSP Outlines. Please see GID section 5.1 and FAQ section C for more information regarding eligibility.</p>
CN II-11	<p>Q: What are the national ministries or legal entities of each country that can access the NAMA Facility? Is there a contact list? A: The NAMA Facility does not apply any accreditation system for potential Applicants and Applicant Support Partners (see also FAQ 22). This applies to neither national ministries nor legal entities. Accordingly, there is no contact list available at the NAMA Facility. For identifying the national ministry responsible for climate change and United Nations Framework Convention on Climate Change (UNFCCC) negotiations, you may check the UNFCCC website, which identifies focal points for each country, for further guidance. Please also see the GID section 5 and FAQ section C for more information regarding Applicants' eligibility. Please also note that only ODA-eligible countries can apply for NAMA Facility support (see FAQ 1).</p>
CN II-12	<p>Q: What kind of institutions are Implementing Partners? A: For examples, see GID section 3.5. Implementing partners are national (sector) ministries, financial institutions such as regional or national (development) banks and other public and/or private entities mandated by the national government to</p>

	implement and operate the NAMA Support Project. The strong involvement and ownership of the national government and implementing partners is considered to be essential for the success of the NAMA Support Project.
CN II-13	Q: What is the role of the Applicant Support Partner during the Implementation Phase? A: The functionality of the Applicant Support Partner is limited to the Detailed Preparation Phase (DPP). In the event that the Applicant is a national ministry, the Applicant Support Partner is the chosen legal entity that is the NAMA Facility Grant Agent contracting partner for the DPP. For more information, please see section C of the FAQ, as well as 5.1.1 of the GID. During the Implementation Phase, the functionality of the Applicant Support Partner is taken over by the NAMA Support Partner. See also FAQ 27.
CN II-14	Q: Does each member of the consortium have to meet all Applicant eligibility criteria, or does the consortium as a whole only need to meet all of the eligibility criteria? A: The consortium in its entirety must meet the eligibility, not each consortium member, although certain criteria apply to each member individually. Please see GID section 5, Annex 3 and FAQ section C for more information.
CN II-15	Q: Can NGOs or INGOs apply as Applicant or Applicant Support Partner? A: National and international NGOs are eligible, if they fulfil the capacity criteria as mentioned in GID section 5.1.
CN II-16	Q: Are non-for-profit, inter-governmental organisations eligible to apply to the NAMA Facility? A: Non-for profit, inter-governmental organisations are eligible, if they fulfil the capacity criteria as mentioned in GID section 5.1.
CN II-17	Q: Can the ASP also be an Implementing Partner? A: Yes, this is possible. The ASP can become an Implementing Partner during the Implementation Phase. For more information on the role of Implementing Partners, see GID section 3.5 and FAQ 35.
CN II-18	Q: Is it possible for one organisation to be represented in more than one consortium applying to the 6th Call? A: Yes, that is possible.
CN III-8	Q: If one international/bilateral organisation sub-contracts another international organisation, do the two organisations form a consortium? A: In general yes, they could choose to apply as a consortium. In this case, both organisations would need to submit Annex 3.

Question	D) Eligible support instruments in NSPs
FAQ 36	Q: Does the NAMA Facility provide technical assistance in the preparation of NAMAs, the Outlines or the concept for the Detailed Preparation Phase (DPP)? A: No, the focus of the NAMA Facility's support is on the implementation of NAMAs. The NAMA Facility does not provide funding for the preparation of NAMAs, NSP Outlines and DPP concepts. Support for the development of these should be sought from other sources.

	<p>However, the NAMA Facility will provide funding for the DPP of selected NSPs to elaborate a Proposal.</p>
FAQ 37	<p>Q: Is the DPP expert pool available for supporting the Outline preparation? A: No, the DPP expert pool is not available for Outline preparation, but for the DPP once a NSP has been selected in the 6th Call.</p>
FAQ 38	<p>Q: What financial mechanisms and products can be supported by the NSP? A: At the level of NAMA Support Projects, funding provided by the NAMA Facility is expected to leverage public and private funds in order to make best use of this grant. This leverage can be achieved by a variety of financial mechanisms and products. The chosen mechanism or product should be the most appropriate and feasible one to overcome identified key barriers. Potential mechanisms include (but are not limited to) guarantee schemes for commercial loans, soft loan programmes, and even direct grant payments. All supported financial mechanisms need to demonstrate that the subsidy element does not crowd out commercial finance (it should “crowd in” commercial finance), that it is the most efficient and effective solution for overcoming a certain barrier and that there is a clear phase out concept for the subsidy or other ways to ensure a sustainable impact of the financing mechanism beyond the NSP’s lifetime. The NAMA Facility does not set a rule for the percentage blend of subsidies/credits/equity, etc., but the choice and mix of instruments should be adequately justified. Applicants are strongly advised to consult the NAMA Facility’s factsheet, the presentation and webinar on financial mechanisms and their links to transformational change.</p>
FAQ 39	<p>Q: Does the readiness criterion for financial mechanisms mean that all financing mechanisms should be new and created within the NSP or could existing international mechanisms be used? A: Existing mechanisms or variations thereof can be built upon provided they specifically meet the objectives of the NAMA. Examples from our current portfolio include existing loan guarantee schemes provided by national development finance institutions that have been adapted for NSPs. These scored well during the assessment as the institutions have the relevant frameworks, contracts and processes in place to ensure a rapid implementation and the mechanism is associated with a high level of readiness.</p>
FAQ 40	<p>Q: Is it permissible for the financial support mechanisms to evolve during the NSP implementation, e.g., starting at pilot scale and being refined for scale-up and post-NSP continuity? A: In principle, yes. However, the Applicant should bear in mind the lead times for the implementation of financial instruments and the maximum NSP implementation period of 5 years, and the risks of a shortened window of opportunity to achieve the direct mitigation effects within the NSP implementation period.</p>
FAQ 41	<p>Q: Which are the characteristics of an innovative finance mechanism, compared to a 'traditional' one? A: This term refers to a range of non-traditional mechanisms to raise additional funds for climate financing. For example, use of leveraging and risk sharing products such as partial loan guarantee schemes, use of remittances, targeted tax credits, reductions or exemptions, etc. These should be considered in the country context – a loan guarantee scheme is not innovative per se but may well be in a given country.</p>

<p>FAQ 42</p>	<p>Q: Is it possible to use NAMA Facility support for seed funding for a local climate fund? A: Yes, it is possible. The NSP should demonstrate clearly how it will mobilise additional funding and that it is ready for starting operations within the first year of the NSP Implementation Phase.</p>
<p>FAQ 43</p>	<p>Q: Can the NAMA Facility funds be gradually replaced by a government tax (i.e. is it an accepted process)? A: Yes, definitely. The NAMA Facility is open to the innovative use of domestic funds. The revenues from an appropriately levied government tax could provide a sustainable source of funding. It is crucial to ensure and demonstrate a substantial level of commitment from the government to raise and avail these domestic resources already as early as during the Detailed Preparation Phase.</p>
<p>FAQ 44</p>	<p>Q: Can the NAMA Facility provide funding support to NSPs that require only a technical cooperation, whereas the financial component is completely financed by own resources (e.g. in case of a development bank)? A: This might be considered if the NSP can demonstrate additionality and a clear and direct link between the technical cooperation provided and the financial mobilisation and investments.</p>
<p>FAQ 45</p>	<p>Q: Are there any restrictions or limitations for the use of NAMA Facility funding for technical cooperation? A: No, there are no restrictions with regard to the types of technical support measures. However, the technical assistance should be linked to and enable investments in low-carbon technologies. The NAMA Facility does not apply a minimum ratio between the requested funds for financial and technical support to cater for the different needs of support in different countries and sectors. Nonetheless, it is expected that the NSP can demonstrate that the TC funding provided by the NAMA Facility directly leverages funding from other sources for investments into climate friendly technologies. While NSPs approved for implementation from previous Calls have had an average TC to FC support ratio of 40/60, the NAMA Facility is aiming to increase this ratio in favour of an FC support in future NSPs.</p>
<p>FAQ 46</p>	<p>Q: Are NSPs solely focusing on capacity building eligible for support? A: As the NAMA Facility’s objective is the implementation of NAMAs, a NSP solely focusing on capacity building will find it extremely difficult to demonstrate that it is within the scope of the NAMA Facility selection criteria on transformation change, mitigation potential and financial leverage.</p>
<p>FAQ 47</p>	<p>Q: Could the establishment of an institution for promoting sustainability and mitigation actions be eligible as a possible NAMA Support Project? A: This kind of output could be supported on an exceptional basis as part of the NSP intervention, if it can be demonstrated that it is essential and directly linked to mitigation actions and that its non-existence is a key barrier for enabling investments. In general, however, it is expected, that implementing partners are existing institutions with a relevant mandate to implement and operate the NAMA. The establishment of an institution should not be the core objective of an NSP.</p>
<p>FAQ 48</p>	<p>Q: Does the NAMA Facility provide support to revisit the Nationally Determined Contributions (NDCs) in a certain sector?</p>

	<p>A: No, the NAMA Facility does not provide specific support for the revision or update of the NDCs. Other support programmes (e.g. the NDC partnership) should be directly contacted for potential support in this regard.</p> <p>However, the NAMA Facility support is targeted at the implementation of mitigation measures in line with NDCs; as a result, lessons learnt from the NAMA implementation in a certain sector and enhanced MRV systems and databases for the sector can be used by countries in updating and revising their NDCs</p>
FAQ 49	<p>Q: Does the NAMA Facility finance the procurement of material by the Government to implement a NAMA Programme at the national level?</p> <p>A: Yes, procurement of material could be part of the NSP; however, grant-based support for the procurement of material as a proposed financial mechanism will find it very challenging to argue for its sustainability and financial leverage effect.</p>
FAQ 50	<p>Q: Can NAMA Facility support be used to invest in operation & maintenance?</p> <p>A: Yes, it is possible. However, the Outline should clearly show how this would be financially sustainable after the NSP period.</p>
FAQ 51	<p>Q: Does the NAMA Facility support the involvement of national administration in the implementation of the NSP, e.g. refinancing the time spent by ministries and national institutions in changing regulations, adapting policies, negotiating agreements, etc. or through technical assistance provided to a project management unit inside a ministry/national institution?</p> <p>A: The NAMA Facility funding could support project-related activities in the ministry, if these are additional to the ministerial mandate and not considered a core mandate of the ministry. Developing policies and regulations are usually considered a core task of a ministry, while operating a project management unit is not necessarily a core task. Nevertheless, ownership and sustainability are demonstrated in a credible way if the national government avails respective resources on its own account.</p>
FAQ 52	<p>Q: Will the project units installed with the support from the NAMA Facility be eligible to earn carbon credits, e.g. to ensure a sustainable funding mechanism for the operation of the units?</p> <p>A: In order to ensure the additionality of greenhouse gas reductions and of the Donors' contribution to international climate finance, no emissions certificates or other emissions credits (such as CERs or VERs) generated by NAMA Support Projects may be traded on the market either during or after the NSP term. Certificates generated with the support from the NAMA Facility must be permanently cancelled. The NAMA Facility funding may be used for the generation of emission reduction certificates for the voluntary market (VER) insofar as they are of good quality, verifiable and demonstrably used to ensure the sustainable funding of climate protection projects in the fields of agriculture, forestry or land use.</p>
CN II-19	<p>Q: What is the DPP Expert Pool about?</p> <p>A: For those Outlines pre-selected to enter the DPP, the NAMA Facility DPP Expert Pool is a group of experts made available to support in the process of further elaborating Outlines into NSP Proposals. Please see FAQs 90-92 and GID section 5.2.</p>
CN II-20	<p>Q: Can questions be submitted after the last Clarification Note?</p> <p>A: No, this won't be possible. Please make sure to submit your questions before 6 March 2019.</p>

CN II-21	<p>Q: Are financial support mechanisms eligible that target start-up enterprises and companies with emerging or innovative business models?</p> <p>A: In general, this is not excluded from support. However, it is recommended that the NSP and institution managing the financial support mechanism already have some experience on the market and that a robust risk management system can be demonstrated.</p>
CN II-22	<p>Q: Is the financing mechanism established under the NSP expected to have disbursed all funds and ceased operation by the end of the Implementation Phase of up to five years, or can it continue to disburse even after the Implementation Phase has lapsed?</p> <p>A: In order to mobilise additional funding, financial mechanisms like guarantee funds or credit programmes could revolve and operate also beyond the Implementation Phase. Hence, it is not expected that all funds are disbursed within the Implementation Phase. However, the success of an NSP is among others assessed and rated based on the investments within the Implementation Phase. In fact, it is expected that the financial mechanism already starts disbursing by, at the latest, year two of the Implementation Phase.</p>
CN III-9	<p>Q: Could improved enforcement of regulations be included as a source of financial leverage?</p> <p>A: Improved enforcement could contribute to an indirect mobilisation of finance in a country, however it might be challenging for Applicants to demonstrate a direct financial leverage effect.</p>
CN III-10	<p>Q: Is it possible to propose a financial instrument even if we are not yet sure whether there is a demand from the target group?</p> <p>A: The financial instrument should be designed in a way to respond to the identified needs and barriers for the target group. The design, readiness and feasibility of the financial mechanism will be an important part of the assessment.</p>

Question	E) Submission of NAMA Support Project Outlines
FAQ 53	<p>Q: How many endorsement letters from national ministries have to be submitted with the Outline?</p> <p>A: Typically, two endorsement letters are expected as each NSP Outline should include an endorsement letter of the relevant national ministry in charge of climate change AND the national sector ministry/ies concerned. Only if the ministry in charge of climate change is also the responsible sector ministry, then one endorsement letter from this ministry would be sufficient.</p>
FAQ 54	<p>Q: What is the expected content of the endorsement letter and the level of signatory in the endorsement letters?</p> <p>A: The endorsement letter should be signed by a duly authorised representative of the ministry. Annex 1 of the Outline template (on the endorsement letters) lists aspects which could be considered in the governmental endorsement letters. The national ministries providing the letters are free to formulate the letter as they deem appropriate. Endorsement letters are carefully studied during the assessment process as an indicator of national political commitment and embeddedness.</p>

FAQ 55	<p>Q: Can further annexes be submitted with additional information, i.e. will they be taken into account during the assessment process?</p> <p>A: The NAMA Facility does not expect any additional annexes and cannot guarantee that these will be taken into account during the assessment of the NSP Outline.</p>
FAQ 56	<p>Q: Can Annexes be presented in languages other than English?</p> <p>A: No, the NAMA Facility will accept submissions of the NSP Outline including Annexes in English only. Endorsement letters from national ministries are accepted in another language if they are submitted together with an English translation. Please note that the NAMA Facility provides the GID for the 6th Call in Spanish and French as courtesy translations.</p>
FAQ 57	<p>Q: Is it compulsory to have an Applicant Support Partner?</p> <p>A: No, it is not compulsory as long as the Applicant itself is an eligible legal entity that can act as the contracting partner during the DPP and as long as it receives the full endorsement from the national ministries for both climate change and the relevant sector. If the Applicant is a national ministry, it is strongly encouraged to identify a qualified Applicant Support Partner. Please note that if the proposed Applicant Support Partner should be found non-eligible during the Outline assessment process, the government will be assisted in identifying a suitable Applicant Support Partner.</p>
FAQ 58	<p>Q: Is it required to submit support letters from NAMA Support Organisations, main implementing partners and the Applicant Support Partner when submitting an Outline?</p> <p>A: No. For the submission of the Outline, there is no such requirement. Only endorsement letters from the relevant ministries of the applying government are required. Additional support letters can be submitted, if available.</p>
FAQ 59	<p>Q: Is it possible to obtain a successful NSP Outline as a reference?</p> <p>A: The NAMA Facility is not authorized to share or publish NSP Outlines it has received in previous Calls.</p>
FAQ 60	<p>Q: Does the NAMA Facility require NSPs to be registered with the NAMA registry at the UNFCCC before submission?</p> <p>A: No, the NAMA Facility does not require a registration with the NAMA Registry as a precondition for submitting an Outline. However, selected NSPs are encouraged to register the support received from the NAMA Facility in the NAMA Registry at the UNFCCC.</p>
FAQ 61	<p>Q: Does a NSP need to carry an official NAMA “label” in order to be eligible?</p> <p>A: No, this is not required. Other terms could be used as well. For the NAMA Facility, the name is not decisive but rather the content. The NAMA Facility looks for ambitious NSPs that can trigger transformational change across the sector with strong country ownership and leadership.</p>
FAQ 62	<p>Q: Are there any specific requirements regarding the MRV (monitoring, reporting, and verification) system that is accountable to Nationally Determined Contribution targets, etc.?</p> <p>A: No, there are not. The NAMA Facility’s Monitoring and Evaluation Framework sets out the overall requirements and guidance with regard to monitoring and reporting at the NSP level. Many NSPs in implementation have a dedicated MRV component to facilitate the integration of monitoring at the NSP level and national monitoring systems.</p>

<p>FAQ 63</p>	<p>Q: Is there any indication on how to quantify indirect emissions in the Outline? Shall it consider only the indirect emissions from the part financed by the NAMA Facility or for the entire NAMA?</p> <p>A: As a general rule, indirect emissions should relate to the parts of the NAMA as financed by the NAMA Facility. If sufficient data is available for the entire NAMA, Applicants/Applicant Support Partners are encouraged to include this data in addition to those parts of the NAMA financed by the NAMA Facility.</p>
<p>FAQ 64</p>	<p>Q: Which mandatory core indicator should be considered as an impact, outcomes and output indicator?</p> <p>A: The Mandatory Core Indicators M1 (GHG emission reduction), M2 (People directly benefitting) and M3 (Likeliness of Transformational Change) are closely related to the outcome level.</p> <p>The two Mandatory Core Indicators M4 (public finance mobilized) and M5 (private finance mobilized) should be considered at output level.</p>
<p>FAQ 65</p>	<p>Q: What are the exact differences between 'outputs', 'outcomes' and 'impacts'?</p> <p>A: The outcome is the overarching direct project goal. It includes direct effects that can be causally attributed to the NSP interventions and which reflect the utilisation of the outputs by the target group.</p> <p>The Output covers products, goods, services and regulations/standards that have arisen as a result of the NSP activities.</p> <p>Impacts are the mid- and long-term direct and indirect effects of the NSP.</p>
<p>FAQ 66</p>	<p>Q: In Annex 7, when asking about sensitivity scenarios, what is the factor of change between the scenarios (i.e. sensitivity to what?)</p> <p>A: The sensitivity analysis should be performed on the most critical and most uncertain assumptions in your calculations, e.g. electricity price increase. The factor of change may differ depending on the assumptions applied but should always represent a pessimistic and a more optimistic scenario, depending on the individual case under consideration.</p>
<p>FAQ 67</p>	<p>Q: As the financial support mechanism is a very important part of the NAMA Support Project, how detailed do you expect the section to be in the NSP Outline exactly?</p> <p>The financial scheme should be sufficiently elaborated to allow the TSU to assess its feasibility and appropriateness in the country and sector context. Aspects such as indicative costs, institutional set-up, legal and governance structures should be covered as far as possible. In the 6th Call, Applicants are requested to submit Annex 7 on the business model and financial mechanisms as a mandatory component. Details need to be established as part of the DPP.</p>
<p>FAQ 68</p>	<p>Q: What are the overheads and administration fees for NSOs for projects under the NAMA Facility?</p> <p>A: The overheads and administration fees should be proposed by the NSO and are subject to approval by the NAMA Facility. In general, the NAMA Facility does not define maximum cost levels but considers them in individual contexts.</p>
<p>FAQ 69</p>	<p>Q: At which point should the NSO's management fees be determined?</p> <p>A: Already during the Outline preparation, all management fees for the NSO and other indirect costs should be included in the requested funding for implementation (Outline section 4).</p>
<p>FAQ 70</p>	<p>Q: Can the NAMA Facility funding be combined with funding from other funds, e.g bilateral or international sources, such as GEF, GCF?</p>

	<p>A: Yes, NAMA Facility funding can be combined with funding from other sources. However, the additionality of the NAMA Facility funding must be demonstrated.</p>
FAQ 71	<p>Q: Does the implementation period of 3-5 years include the DPP duration? A: No, the eligible implementation period of 3-5 years does not include the duration of the DPP.</p>
FAQ 72	<p>Q: Can a NAMA Support Project be submitted requesting less than EUR 5 million? A: Yes, this is possible and in line with the eligibility criteria stated in section 5.1.3 of the General Information Document. As the amount would deviate from the recommended range of EUR 5 to 20 million, an explicit explanation justifying the deviation should be provided in Outline section 4.</p>
CN II-23	<p>Q: Can an Outline be submitted to obtain NAMA Facility funds for a project already underway? A: A project already underway would typically not be eligible for NAMA Facility support. To be eligible in such a scenario, the NAMA Facility-supported element would need to be one project component within a much larger project context, e.g. a transit line within a much larger metro system development. Keep in mind that it will be crucial to clearly demonstrate additionality of the NSP.</p>
CN II-24	<p>Q: Is it possible to submit studies in lieu of the Logframe or other Annexes? A: No, please submit the Logframe and other Annexes using the templates of the 6th Call. Two exceptions from this rule might be considered - you may submit information requested in Annex 6 and Annex 7 in a different format, if this available and deemed more suitable to present the requested than the templates for Annex 6 and Annex 7. Nevertheless, please keep the information concise and short.</p>
CN II-25	<p>Q: How would end-of-life recycling of appliances be evaluated in the Outline assessment and do recycling capacities already have to be in place? A: In general, end-of-life recycling is eligible, if mitigation effects can be demonstrated. However, an NSP focusing on end-of-life recycling for appliances might find it difficult to demonstrate relevant potential for transformational change if not properly embedded in a wider framework or working along a value chain. Relevant recycling capacities should be available during the Implementation Phase; the NSP could consider strengthening these capacities during the implementation.</p>
CN II-26	<p>Q: How much more detailed is the NSP Proposal from the Outline in terms of number of pages, annexes, new sections, etc. Furthermore, why is the template not available on the website? A: Examples of Proposal templates from previous Calls are available on the NAMA Facility website and can serve as good guidance regarding what is expected as a result of the DPP. As the Proposal templates are further improved based on lessons learnt from previous Calls, the template for the ongoing Call is not yet available on the website.</p>
CN II-27	<p>Q: If it is the ministry itself that will submit the Outline, is the endorsement letter still needed? A: Yes, endorsement letters from the relevant line ministry, as well as the ministry in charge of climate change (if different) are required.</p>
CN II-28	<p>Q: Regarding Annex 7, is a cash flow analysis expected? Or should an income statement be provided?</p>

	A: In Annex 7, a cash flow analysis is expected.
CN II-29	<p>Q: As both the relevant line ministry and ministry responsible for climate change are required to submit endorsement letters, if both are involved with and support the NSP, which ministry should be the submitting entity? Does the NAMA Facility prioritize one over the other?</p> <p>A: No, the NAMA Facility does not prioritize any of the ministries. It is up to the submitting parties to decide who submits the NSP Outline.</p>
CN II-30	<p>Q: Does the NAMA Facility recommend the use of specific consultants to review and correct Outlines before submission?</p> <p>A: No, the NAMA Facility does not recommend or endorse any specific consultant for the quality check of Outlines.</p>
CN II-31	<p>Q: Regarding Mandatory Indicator 3, there are six "Results Categories" and the NAMA Facility expects that at least two are pursued. As these categories are quite different, can one set a "Target Value" under Indicator M3 for each "Results Categories" pursued, or must there be only one all-encompassing "Target Value" for all pursued "Results Categories"?</p> <p>A: Each "Result Category" can have its own "Target Value".</p>
CN II-32	<p>Q: Do mitigation calculations need to be included in the Outline, or just the Proposal?</p> <p>A: The NAMA Facility does require a detailed calculation of the mitigation potential to be included with the Outline. This information needs to be provided in an annex and is a very important requirement. You may wish to include further verification measures in the Detailed Preparation Phase concept, however if the ambition in this field is decreasing significantly during the Detailed Preparation Phase, it will lower your chances to receive funding for the Implementation Phase. The best available data should therefore already be provided at the Outline stage. Conservative calculations are encouraged. See the Outline template and GID section 5.1.3 for more information.</p>
CN II-33	<p>Q: Can an Outline be submitted to obtain NAMA Facility funds for the financing of fixed assets, such as charging stations, solar power stations or battery storage units?</p> <p>A: The financing of such assets could be supported by the NAMA Facility, as long as a direct mitigation effect can be demonstrated.</p>
CN II-34	<p>Q: Is there a specific format for the endorsement letter?</p> <p>A: There is no format for the endorsement letter, however it should express to the highest degree possible the commitment of the national government to the NSP. See also FAQ 54.</p>
CN II-35	<p>Q: Can an entity submit more than one application, or be involved in more than one Outline submission?</p> <p>A: No, there is no maximum and entities can be involved in more than one Outline submission.</p>
CN II-36	<p>Q: Is there any methodology prescribed to assess the mitigation potential?</p> <p>A: The NAMA Facility provides mitigation calculation guidance here.</p>
CN II-37	<p>Q: What kind of overheads or management/administrative fees can be budgeted for the DPP or the Implementation Phase?</p> <p>A: The NAMA Facility does not have any set rules regarding maximum overhead costs, however all such fees budgeted in Outlines, DPP Concepts and Proposals are</p>

	thoroughly assessed and scrutinized by the NAMA Facility. For more information, see FAQ 68.
CN II-38	<p>Q: For the Outline, is it enough to simply indicate the potential leverage of public and private funds or do we also need to indicate the sources from specific partners?</p> <p>A: The committed and expected funding, with specific figures from both public and private sources, should be indicated, not just "potential" sums.</p>
CN II-39	<p>Q: Must there be an NSO already identified at the Outline submission stage?</p> <p>A: If no NSO is identified at Outline submission, it can be identified later, up to three month into the DPP.</p>
CN II-40	<p>Q: Can we propose only one Outcome or do we need to have more than one Outcome?</p> <p>A: One Outcome is sufficient.</p>
CN II-41	<p>Q: Are there limits (minimum and maximum) on the number of Indicators that one can use at each of the three levels: Impact; Outcome, and Outputs?</p> <p>A: No, the NAMA Facility sets no maximum or minimum limit with regard to the number of indicators. However, all five mandatory core indicators have to be integrated and reported on. Please also keep in mind that all indicators should be formulated "SMART" (specific, measurable, achievable, realistic and time-bound).</p>
CN II-42	<p>Q: Would it be possible to have Mandatory Indicator M1 at the Impact level, Mandatory Indicators M2 and M3 at the Outcome level and Mandatory Indicators M4 and M5 at the Outputs level?</p> <p>A: The assigned level for Mandatory Core Indicators should follow the requirements from the M+E framework. See also FAQ 64.</p>
CN II-43	<p>Q:</p> <p>1) For the GHG emission reductions, is it permissible to separate Mandatory Indicator M1 into two indicators: Direct GHG emissions reductions and Indirect GHG emission reductions?</p> <p>2) Can we have two target values for the direct GHG emission reduction – one for the project duration and one for the lifespan of the RE/EE measures implemented?</p> <p>3) For the indirect GHG emission reductions, can we set the target values 10 years after the completion of the NAMA project?</p> <p>A:</p> <p>1) Yes, this is mandatory and completely in line with the updated M+E Framework. For further information, please see here.</p> <p>2) Yes, this is mandatory and completely in line with the updated M+E Framework. For further information, please see here.</p> <p>3) Yes, this is possible for indirect GHG emission reductions, but not mandatory.</p>
CN II-44	<p>Q: Is the transfer of emission reductions generated by the NSP through any carbon mechanism permitted by the NAMA Facility?</p> <p>A: No, the NAMA Facility does not support projects that transfer or generate carbon credits. For further information, please see GID section 5 regarding eligibility criteria and FAQ 52.</p>
CN II-45	<p>Q: How many submissions were received in previous calls and how many NSPs were selected?</p>

	<p>A: In the 4th and 5th call, 75 and 76 Outlines were submitted, respectively. Out of these, 8 and 7 projects were pre-selected to enter the DPP. See the statistics section of our website for more information.</p>
CN II-46	<p>Q: Is it possible and/or desired to submit additional Annexes, documents or studies? A: The NAMA Facility does not expect any additional documents and cannot guarantee that these additional information will be taken into account during the assessment of NSP Outlines.</p>
CN II-47	<p>Q: Can we submit a study on mitigation potential instead of Annex 6? A: Yes, but only if the study covers all aspects required in Annex 6.</p>
CN II-48	<p>Q: At what stage should financial institutions for the implementation of the financial mechanism be identified and named? Do they need to be named in the Outline, and if so, is such nomination binding (i.e. the nominated institutions will need to be maintained through the DPP, etc.)? A: Applicants and Applicant Support Partners should already be as specific as possible in the Outline. Other involved financial institutions, and their roles, should be as detailed as possible. The more clear and concrete information that can be provided, including that regarding financial ambition, project design and overall NSP readiness, the more positively the Outline will be assessed. In justified cases, the financial institutions might change during the Detailed Preparation Phase.</p>
CN II-49	<p>Q: What kind of history do Outline resubmissions have/what is the probability of a resubmission's success? A: While there is no preference for resubmitted NSPs and as a rule, re-submitted Outlines are treated the same as new submissions during the assessment, the current NAMA Facility portfolio includes eight NSPs that were selected after resubmission.</p>
CN III-11	<p>Q: Can we organise the Outputs and Activities the same way they are organized on the General Information Document, without specifying which Activity will contribute to which Output, or should there be a different ToC with a tree structure, under which each Output specifies the Activities leading to it? A: It is recommended to specify Activities according to each Output unless there are cross-cutting Activities.</p>
CN III-12	<p>Q: Can endorsement letters be in a language other than English? A: Yes, as long as they are accompanied by an English translation.</p>
CN III-13	<p>Q: Annex 6 asks whether there is a "dynamic in the baseline scenario (without NSP support)" - could you please elaborate on this? A: It is rather asking, in the absence of NSP support and activities, how would the emissions develop over time.</p>
CN III-14	<p>Q: Is it possible to submit a project synopsis sheet with a letter of endorsement first, and after acceptance of the project idea, provide the information in the required templates? A: No, this is not possible. The completeness of the application documents based on NAMA Facility templates (i.e. Outline and Annexes) is essential to fulfil the formal requirements as part of the eligibility criteria.</p>
CN IV-2	<p>Q: Is there a benefit in obtaining additional endorsement letters to enhance the profile of an Applicant Support Partner? A: You are welcome to submit additional endorsement or support letters of the Applicant Support Partner and other key stakeholders, if deemed useful to</p>

	substantiate commitments. Please note the NAMA Facility does not require any additional letters. The commitment of the Applicant Support Partner and key stakeholders will be verified during the in-depth assessment of short-listed NSPs.
CN IV-3	Q: If the ministry in charge of mitigating climate change is split between ministries, from which ministry would an endorsement letter actually satisfy this requirement? A: If in doubt, one should obtain an endorsement letter from the ministry in charge of UNFCCC negotiations (in addition to, if different, the sector line ministry related to the project).
CN IV-4	Q: If the national ministry cannot provide a firm commitment in terms of financial contribution because it is not in charge of the budget source, can we submit an additional letter from the organisation in charge of the funding? A: Yes, this is possible and recommended as it would help to demonstrate the level of certainty for the co-funding.

Question	F) Selection criteria
FAQ 73	Q: Will a NSP score decrease in the assessment if it provides more conservative estimates with regard to its mitigation potential and financial leverage potential? A: All assumptions underlying the mitigation potential and financial leverage should be realistic and in case of uncertainties, applicants should take a conservative approach. In particular, emission reductions over the lifetime of infrastructure projects should take into account the temporal impacts of planning and timescale of investments, including allowances for permitting, planning and procurement, amongst others, in relation to the lifetime of the NSP. During the assessment of Outlines, the underlying assumptions and numbers are subject to rigorous plausibility checks. Please note that if the fully fledged Proposal that is eventually developed deviates from the initial Outline in terms of significantly lower ambition criteria (not only direct mitigation and financial leverage, but also transformational change), the NSP risks not being considered for funding. Therefore, Applicants are encouraged to base their estimates on conservative figures.
FAQ 74	Q: What is the difference between direct and indirect mitigation potential? A: The direct mitigation potential refers to GHG emission reductions as a result of investments that were directly benefitting from the support of the NSP, in particular its financial support mechanism(s). In contrast, the indirect potential refers to GHG emission reduction that cannot be directly linked to the NSP intervention because of an attribution gap, e.g. if the NSP supports the amendment of a regulatory framework that might result in more climate-friendly investment decisions. The NAMA Facility considers both the direct and indirect mitigation potential, as very relevant selection criteria. Therefore, both effects should be indicated and substantiated in the NSP Outline and Annex 6. Further guidance on determining the direct mitigation potential is provided in the NAMA Facility's Indicator Guidance .
FAQ 75	Q: Does the NAMA Facility apply a minimum ratio regarding emission reductions (emission reduction/€ NAMA funding) that NSPs need to achieve?

	<p>A: No. While the NAMA Facility expects the emission abatement cost to be cost effective and appropriate to the sector at hand, there are no general benchmarks as abatement costs are very context-specific (e.g. sector, urban/rural and country).</p>
FAQ 76	<p>Q: Is there any minimum ratio for the financial leverage, i.e. between the requested grant from the NAMA Facility and the mobilised public and private finance?</p> <p>A: No, the NAMA Facility does not require a minimum financial leverage; however, during the assessment of Outlines the leverage ratio is taken into consideration in the country- and sector-specific context. NAMA Support Projects that have been selected in previous Calls propose an average financial leverage factor of 1:7, i.e. each Euro of NAMA Facility funding provided to NAMA Support Projects mobilises a further seven Euros in additional investment.</p>
FAQ 77	<p>Q: Is it acceptable and sufficient if the national government is fully involved and committed, but cannot directly financially contribute to the NSP funding and thus only contributes in-kind contributions, tax exemption, etc.?</p> <p>A: Yes, this could be accepted. In-kind contributions may be counted. However, greater weight is given to directly mobilised funds by governments through public sector budgets, funds raised through taxes (and exemptions), grants, loans, guarantees etc. In the assessment process, the country context - in terms of public funds but also development of financial markets - is taken into account.</p>
FAQ 78	<p>Q: If there is no public funding contribution, but public commitment through policy interventions, reforms, tax incentives, how is this considered?</p> <p>A: Policy commitment is encouraged and quantifiable tax incentives would be taken into account in the assessment as enablers of transformational change, although “hard” funding commitments might, depending on the specific country context in question, indicate a higher degree of ownership and sustainability of a NSP.</p>
FAQ 79	<p>Q: Is there a recommended ratio of public domestic funds and private sector investments, which is supposed to be leveraged by the NSP funds?</p> <p>A: No, the NAMA Facility has no such recommendation as the financial leverage ratios will differ across sectors and country contexts. Please refer also to FAQ 76.</p>
FAQ 80	<p>Q: What kind of information do you expect on whether the funding is secured?</p> <p>A: For each distinct direct funding source used for the NSP implementation (including contributions from public institutions, private sector and from other donors), the degree to which the funding has been secured should be clarified, whether it is an existing funding stream, firmly committed or simply earmarked (e.g. included in the national budget plan approved for a certain year; or, has been in principle agreed without a formal commitment). Funding commitments from the government should be mentioned in the endorsement letter(s).</p>
FAQ 81	<p>Q: What does the readiness criteria mean for the introduction of a financial mechanism within 12 months?</p> <p>A: The financial scheme (such as loan programme or a guarantee instrument) should be ready for disbursing funding within 12 months from the start of the implementation phase. Finalizing preparatory work such as the detailed scheme design, allocation criteria (investment criteria), development of contracts and operating manual should be undertaken in the Detailed Preparation Phase (DPP).</p>

FAQ 82	<p>Q: Is it mandatory to prove private sector funding in the NSP Outline and later in the Proposal?</p> <p>A: No, it is not mandatory but preferable, as public funding is likely to be limited and private funds is typically easier to be scaled up at a later stage.</p>
FAQ 83	<p>Q: Is co-financing required?</p> <p>A: Co-financing from other Donors is not required; however, NSPs are expected to mobilise additional financial resources from public and private sources; the financial ambition is a key selection criteria in the NAMA Facility.</p>
FAQ 84	<p>Q: How does the NAMA Facility assess the scalability of NSPs in the context of transformational change?</p> <p>A: During the assessment process, it is checked whether a scaling-up or replicability is foreseen at the national or even regional level. Specific activities planned and / or financial mechanism(s) aiming at scaling-up or replication are elements to support the assumption that a NSP can achieve impacts beyond the NSP boundaries.</p>
FAQ 85	<p>Q: What is meant by “Replicability/at national and/or regional level” in the context of the potential for transformational change?</p> <p>A: The support provided by the NAMA Facility can finance only the most ambitious parts of the overall NAMA. In order to assess whether the support can trigger changes in the (sub-) sector beyond the directly supported interventions, the level of replication within the country (at national level) or in other countries of the region (at regional level), ideally within the NSP implementation period, is an indicator for the potential for transformational change (see also FAQ 84).</p>
FAQ 86	<p>Q: How do you measure the level of ambition for transformational change and financial and mitigation potential? Do you have examples of indicators that can be used?</p> <p>A: The Monitoring and Evaluation Framework provides guidance on how to define and measure respective indicators. It also provides some examples from different sectors.</p>
FAQ 87	<p>Q: Is there any preferential treatment of certain types of organisations proposed as NSOs (like non-governmental organisations) in the selection process?</p> <p>A: No, the NAMA Facility does not apply any preferential treatment of any type of organisation. Each legal entity will be assessed on its eligibility and capacities to fulfil the role of a NAMA Support Organisation.</p>
CN II-50	<p>Q: Regarding the eligibility criterion of additionality, if an existing project is already supported by other climate finance institutions, such as the GCF, would that preclude the project from obtaining NAMA Facility support?</p> <p>A: No, it would not preclude the project from obtaining NAMA Facility funding per se, but it would be crucial to demonstrate that the project would not happen without NAMA Facility funding.</p>
CN II-51	<p>Q: Who is assessing and selecting the Outlines?</p> <p>A: The decisions are taken by the Board members of the NAMA Facility, i.e. by representatives from Donors that provide funding to the NAMA Facility. When taking decisions, Donors take into consideration the assessment results from an independent assessor team that is identified in a procurement process, as well as from the TSU. More information on the assessment process is provided in the GID, section 5.1.4.</p>
CN II-52	<p>Q: Do NAMA Support Projects require immediate mitigation effects, or can these occur in the future?</p>

	<p>A: An NSP would not be excluded from consideration, were the GHG mitigation effects not immediately realized from the start of the Implementation Phase. However, concrete emission reductions should be achieved during the Implementation Phase. Please keep in mind that the NAMA Facility expects all Outlines to contain clear GHG mitigation calculations in Annex 6.</p>
CN II-53	<p>Q: Could an agriculture sector NSP calculate its emissions on a "per product" basis, rather than total emissions reduction?</p> <p>A: Yes, this is possible if a robust business-as-usual and mitigation scenario can be built. It is, however, strongly recommended to address rebound effects and demonstrate how they are minimized. A strong policy framework could serve as a good entry point for this.</p>
CN II-54	<p>Q: What does it mean for NAMA Facility NSPs to build on or utilize synergies with other projects?</p> <p>A: While the additionality of the NSP, and its delineation from other projects, must be clear, it can be positively assessed if the NSP can build on or learn from other projects in related areas. These could be projects driven by national governments or other international actors.</p>
CN II-55	<p>Q: Is the EUR 5-20 million budget for each NSP or the entire 6th Call?</p> <p>A: EUR 5-20 million is the suggested budget range for each NSP.</p>
CN II-56	<p>Q: While the NAMA Facility emphasizes mitigation projects, how are the benefits or impact of adaptation work assessed?</p> <p>A: The focus of NSPs should be on mitigation, not adaptation. However, in certain situations, adaptation measures could be a relevant co-benefit and as such be considered a driver for transformational change. The NSP will be assessed on its mitigation potential and potential for transformational change. For details on the assessment criteria, see GID section 5.1.3.</p>
CN II-57	<p>Q: Does investment from end-users (e.g., households) qualify as leveraged private funding?</p> <p>A: Yes, this qualifies as private funding mobilised, if the investment benefitted from the NSP support.</p>
CN II-58	<p>Q: Would it be possible to submit an Outline requesting a funding volume exceeding EUR 20 million, for example EUR 40 million?</p> <p>A: Yes. However, the NAMA Facility expects funding volumes to be around EUR 5 – 20 million. Please also note that the NAMA Facility only has a certain amount of funding available for the 6th Call. A very big volume, for example in the range of what you have mentioned is hence not likely to receive funding from the NAMA Facility.</p>
CN III-15	<p>Q: Is it necessary to explain what will happen with funds that reflow after the project has finished?</p> <p>A: "Yes, Applicants are requested to provide indicative information on the proposed use of reflow of funding in Annex 7 (financial mechanism). Further details will be requested in the Proposal after the Detailed Preparation Phase. Please also see CN II-22 for more details.</p>
CN III-16	<p>Q: How do we need to demonstrate the leverage potential (in-kind or cash) in the Proposal phase?</p>

	A: The committed and expected funding, with specific figures from both public and private sources, should be indicated.
CN IV-5	Q: Can work related to purely financial investment vehicles be considered part of the five "projects of similar funds size as the NSP" for the experience with project development and / or project management criterion? A: No, as work related to such vehicles is not comparable to project management or development related to a NAMA Support Project.
CN IV-6	Q: What does it mean that the Implementing Partner should have a mandate from the national government to make decisions that trigger transformational change? A: The Implementing Partner should have the necessary remit and capacities to actually effect a transformation. For example, if the NSP aims at introducing a ban of certain substances, the relevant national ministry should be an Implementing Partner.

Question	G) Detailed Preparation Phase (DPP)
FAQ 88	Q: Is there a budget limit for the Detailed Preparation Phase? A: No, there is no explicit upper limit for the DPP. Nevertheless, it should be kept in mind that large budgets requested for the detailed preparation could be an indicator that the NAMA Support Project is actually not ready for implementation. The appropriateness of the requested funding will be assessed on a case-by-case basis. As part of the finalisation of the DPP concept before a funding agreement is concluded, amendments to the budget might be necessary and will be negotiated with the Applicant or Applicant Support Partner. The budget as part of the DPP concept is subject to approval by the NAMA Facility Board. During the DPP itself, increases to budgets are not foreseen.
FAQ 89	Q: What were the average funding levels for DPPs in previous Calls? A: The average funding support requested by NSPs from the 4 th and 5 th Call for their DPP was approximately EUR 250,000. Please note that the requested funding volume and timeframe for the DPP is an indication of the NPS's level of readiness.
FAQ 90	Q: Is the NAMA Facility's pre-selected expert pool for the Detailed Preparation Phase (DPP) mandatory or can we select our own experts for the DPP? A: The DPP expert pool is an offer to NSPs that helps to identify scarce services and save time in otherwise potentially lengthy tender procedures. It is to support Applicants to stay within the maximum DPP limit of 15 months and to develop the NSP, especially the financing mechanism, in line with the requirements of the NAMA Facility. Please note that in certain cases, the approval of the DPP concept might be conditioned on the use of external expertise e.g. from the DPP expert pool to ensure that the DPP proceeds on time and in line with the NAMA Facility objectives.
FAQ 91	Q: What are some examples of support being provided by the DPP expert pool? A: The DPP expert pool supports NSPs in elaborating and fine-tuning their financial mechanisms (e.g. development of sensitivity analyses), in verifying and checking the quality of business models, financial mechanisms and their underlying assumptions and also in conducting quality checks of the project design and indicator formulation.
FAQ 92	Q: If using the expert pool for the DPP, does one need to budget for those experts in the DPP budget, or does the NAMA Facility separately cover related costs?

	<p>A: Related costs for the DPP experts should be included in the budget requested from the NAMA Facility. They will later be deducted from the DPP budget. Please also refer section 5.2 in the GID.</p>
FAQ 93	<p>Q: If a NSP needs a feasibility study, can this be a part of the DPP or project implementation?</p> <p>A: The need to conduct comprehensive feasibility studies at either the DPP or during the Implementation Phase of the NSP would raise concerns as to the readiness of the NAMA. However, feasibility studies for specific aspects, e.g. of the financial mechanism, might be necessary and can be part of the DPP.</p>
FAQ 94	<p>Q: Is the fully elaborated Proposal due within 15 months of the DPP or after?</p> <p>A: It is 10 or 15 months for the DPP including the submission of the Proposal.</p>
FAQ 95	<p>Q: How long should we take to prepare the full Proposal (6-15 months)?</p> <p>A: In the 6th Calls and different to previous Calls, NSPs are expected to decide for a DPP of either 10 months or 15 months. The length of the preparation of the full Proposal is determined by the state of preparation (readiness) of the NSP and by the individual project setting. For example, it might take a certain period of time to conduct an in-depth financial analyses, to receive approvals from key implementing partners and/or to set up and conduct meetings with target groups.</p> <p>As a general rule, taking the time to ensuring a good quality of the Proposal should be prioritized to shortening the DPP timeframe.</p>
FAQ 96	<p>Q: What activities are eligible for support in the DPP?</p> <p>A: Supported activities should be focused on clarifying open issues necessary for the elaboration of a high-quality, detailed Proposal that allows the NSP to quickly start the full implementation after approval to the NSP Proposal. A comprehensive list of eligible activities cannot be provided as this essentially depends on the individual context. Examples of supported activities include detailed baseline studies, sensitive analyses for business models, detailing and modelling the financial mechanism, negotiations with implementing partners, definitions of steering structures for the implementation, etc. Feasibility studies can be supported in limited cases only if specific details still need to be clarified; however the overall technological and economic feasibility should be analysed already before an Outline is proposed to the NAMA Facility.</p>
FAQ 97	<p>Q: Who receives the funding for the DPP, the Applicant Support Partner or does the NAMA Facility provide it directly to implementing partners?</p> <p>A: The Applicant Support Partner receives the financial support for conducting the activities as foreseen in the DPP concept. The DPP concept defines the inputs and resources needed for these activities, e.g. national or international expertise. The NAMA Facility does not provide the funding directly to implementing partners.</p>
FAQ 98	<p>Q: What type of contract mechanism will be used for the DPP and the Implementation Phase?</p> <p>A: After Donors of the NAMA Facility approve funding support for the DPP and, at a later stage, potentially for the implementation of a NSP, the Applicant/Applicant Support Partner of the NSP (and later the NSO) will be offered a grant agreement by the NFGA. See also section 3 in the General Information Document.</p>
FAQ 99	<p>Q: When do the Donors decide if a fully-fledged Proposal can be funded? Are there any precise dates available?</p>

	A: The Donors will take a decision on a rolling basis as it receives NSP Proposals and TSU recommendations. The assessment and decision process is expected to take approximately four months from receiving the Proposal to informing the Applicant.
CN II-59	<p>Q: Is it possible to have an extremely short DPP if the level of readiness is high enough?</p> <p>A: While the NAMA Facility welcomes submissions of NSP Outlines with a level of readiness high enough to immediately enter the Implementation Phase, per past experience most NSPs need at least the minimum amount of DPP time to further elaborate the project design and elaborate a comprehensive Proposal.</p>
CN III-17	<p>Q: Is there a co-financing requirement for the DPP?</p> <p>A: No, there is no co-financing requirement for the DPP.</p>
CN IV-7	<p>Q: Is there a difference in the assessment of the project if one selects 10 months or 15 months for the DPP?</p> <p>A: No, there is no difference in the assessment. The length of the DPP should be chosen in a way to allow the elaboration of a high-quality Proposal based on substantiated analysis, stakeholder engagement and a detailed financial mechanism that would be operational within the first year of the NSP Implementation Phase.</p>

We look forward to receiving your Outline submission. No further 6th Call clarifications may be submitted. For additional information, please see the General Information Document and the other resources on the NAMA Facility website.

Please send the completed NAMA Support Project Outlines via e-mail to the Technical Support Unit of the NAMA Facility contact@nama-facility.org by **15 March 2019, 3 pm CET/GMT+1**. All documents submitted to the NAMA Facility must be in English.