



Introduction to the Ambition Initiative Call

NAMA Facility Webinar
3 February 2021

Goals for today



Provide an overview of the NAMA Facility and of the Ambition Initiative Call



Present new characteristics of the Ambition Initiative Call



Answer your questions and point to useful resources

Structure of the Webinar

1. Technical overview
2. Introduction to the NAMA Facility and the Ambition Initiative Call
3. New characteristics of the Ambition Initiative Call
4. Q&A

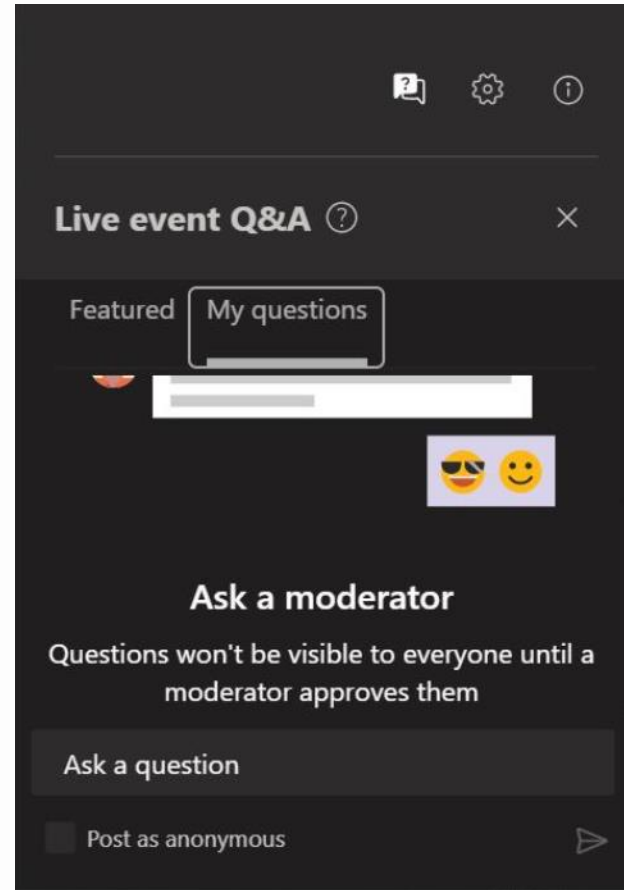
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Technical Overview

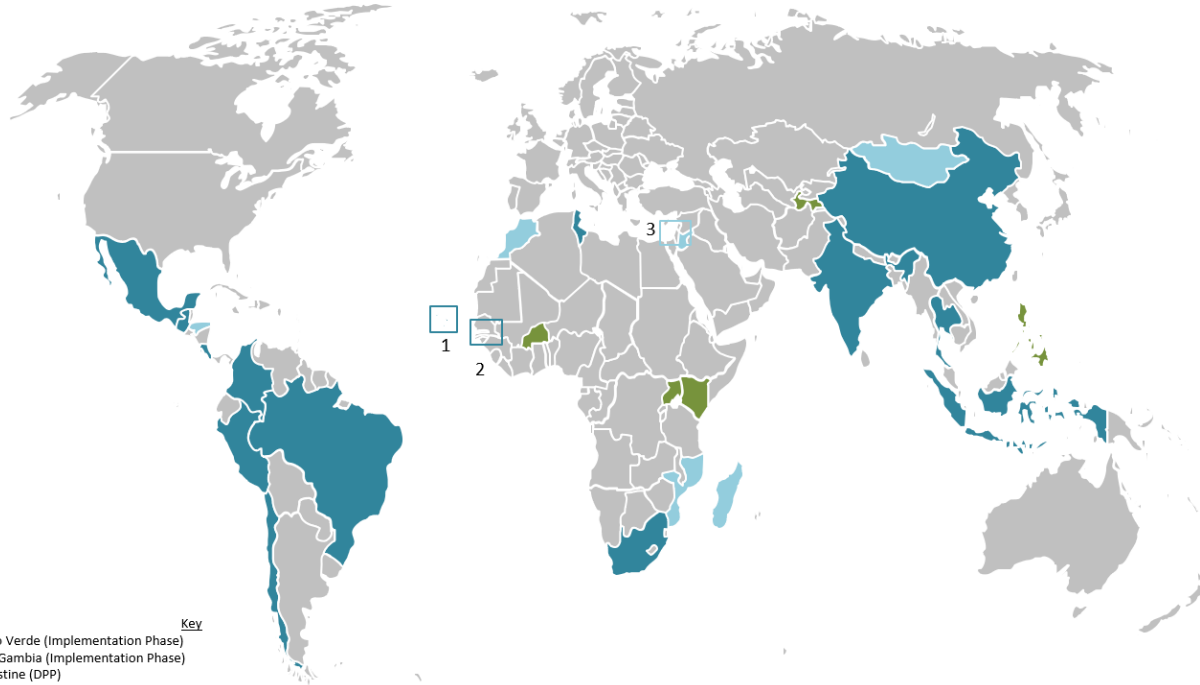
- Welcome to Microsoft Teams Live Events
- Control panel in the top right corner of your screen:
 1. You are muted automatically
 2. Submit your questions to the moderator



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Who We Are



Key

- 1 Cabo Verde (Implementation Phase)
- 2 The Gambia (Implementation Phase)
- 3 Palestine (DPP)
- Country with project(s) in the Implementation Phase
- Country with project(s) in DPP/Appraisal
- Country with projects discontinued after DPP/Appraisal

Multi-Donor fund by



Germany



UK



Denmark



EU



Children's Investment Fund Foundation (CIFF)

Created in: **2013**

Total funding volume: **EUR 664m**

Current portfolio: **28 NSPs**

- 22 countries
- Across sectors: transport, energy efficiency, renewable energy, forestry, waste, agriculture

Ambition Initiative Call

- 2 July 2020, Germany and the UK announced a special Ambition Initiative to support the ODA eligible countries in:
 - *implementing enhanced ambitious Nationally Determined Contributions (NDCs)*
 - *aligning these efforts with the national green recovery agendas*
 - *aligning these efforts with NDCP Partnership Plans*
- **EUR 174 million** committed to support climate action
- Specific conditions related to the level of ambition and sectoral relevance of the NSPs
- New opportunities for designing impactful projects

Opportunities and Conditions

New opportunities

- Increased upper funding volume of EUR 25 million per NSP
- Disbursement of additional budget for highly successful NSPs
- Possibility for commercial entities to serve as Applicants / ASPs or NSOs
- New mode of delivery – an opportunity to have a small sized pilot for novel technologies before moving into a larger scale project

Opportunities and Conditions

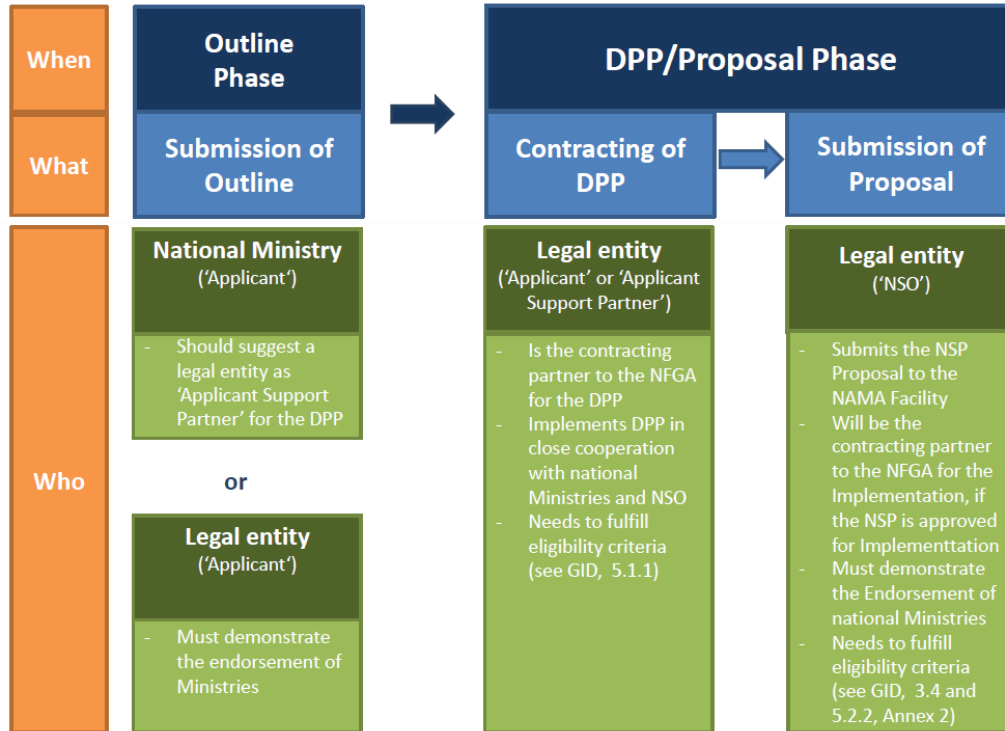
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Specific conditions

- Submission of enhanced NDCs by the national government as an eligibility criterium
- Focus on sectors that are explicitly mentioned in NDCs
- Embeddedness in and contribution to the national efforts for green recovery from the Covid-19 pandemic
- Alignment of NSPs with NDCC Partnership Plans (upon existence)

Who Can Submit an NSP Outline & Proposal?



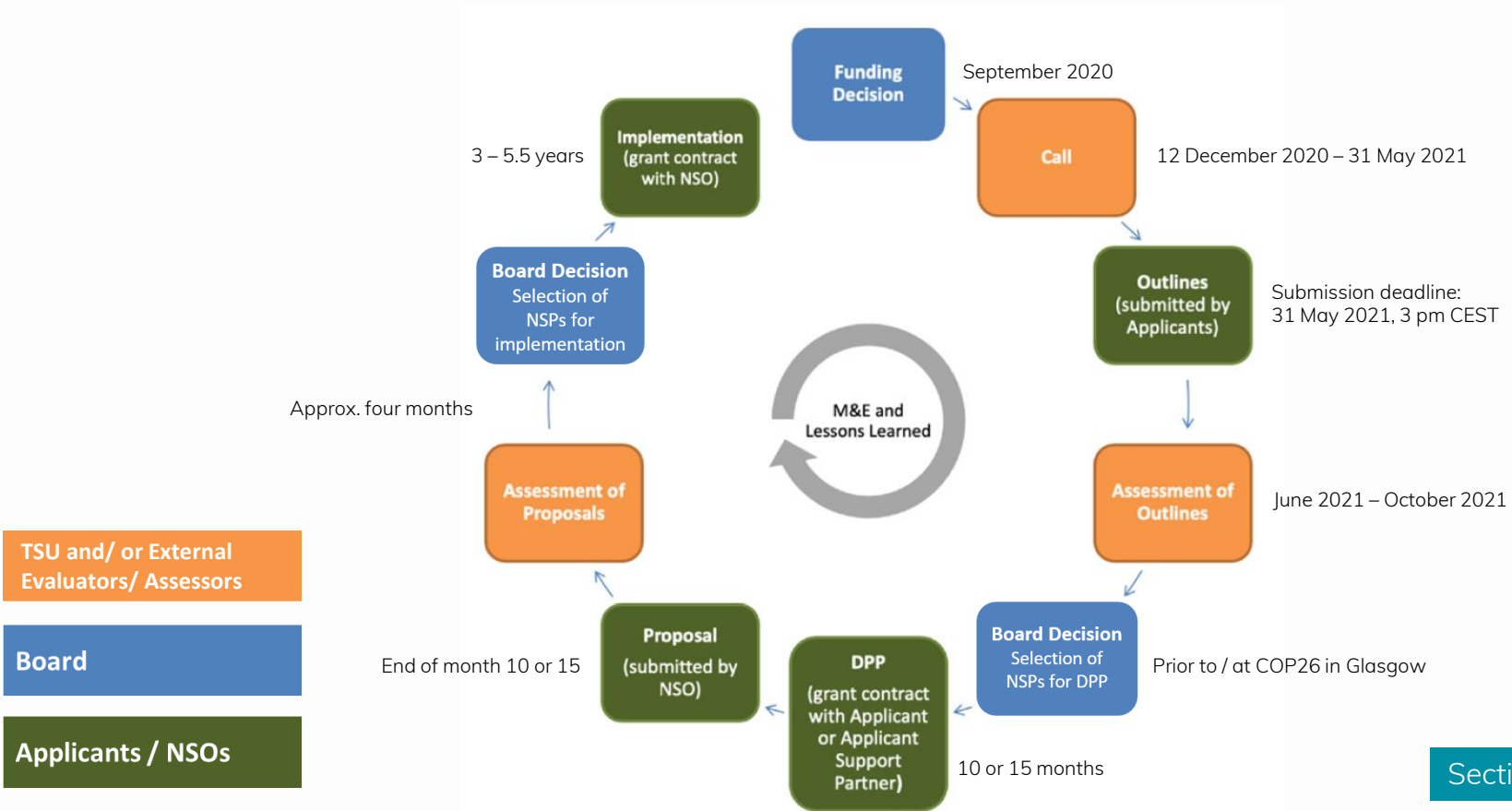
Commercial entities can participate in all stages of the process as Applicants / ASPs and then NSOs

Section 3.4, 5.1.1, 5.2.2 and Annex 2 (GID)

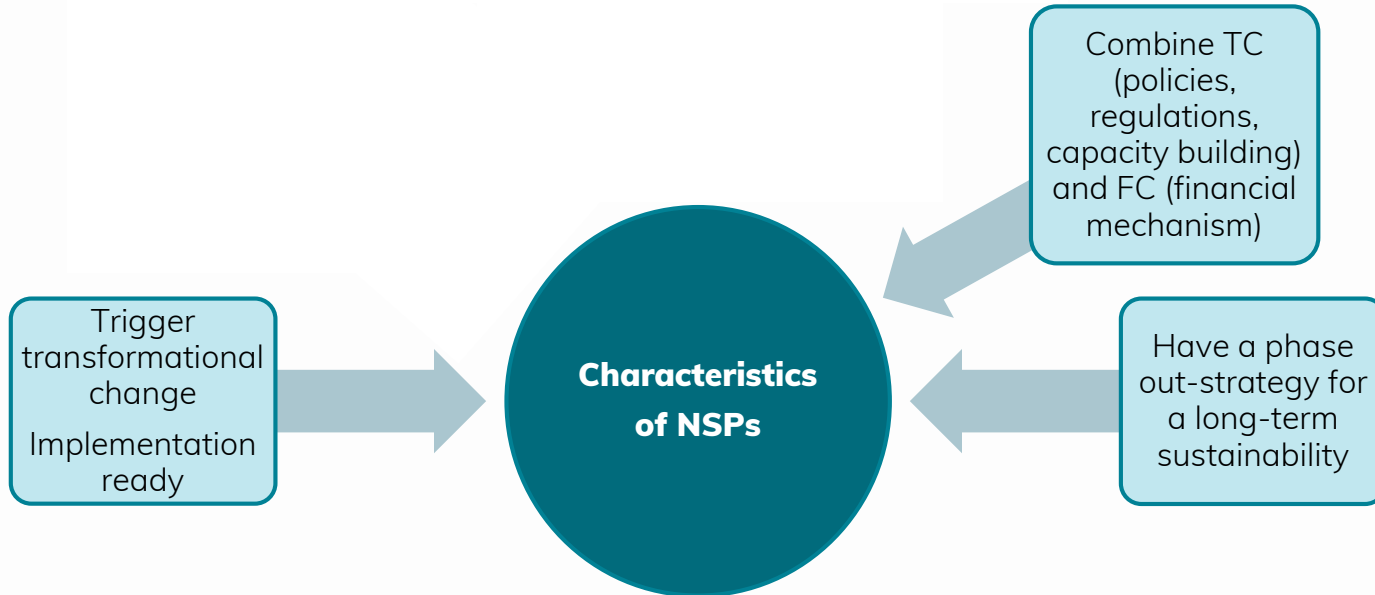
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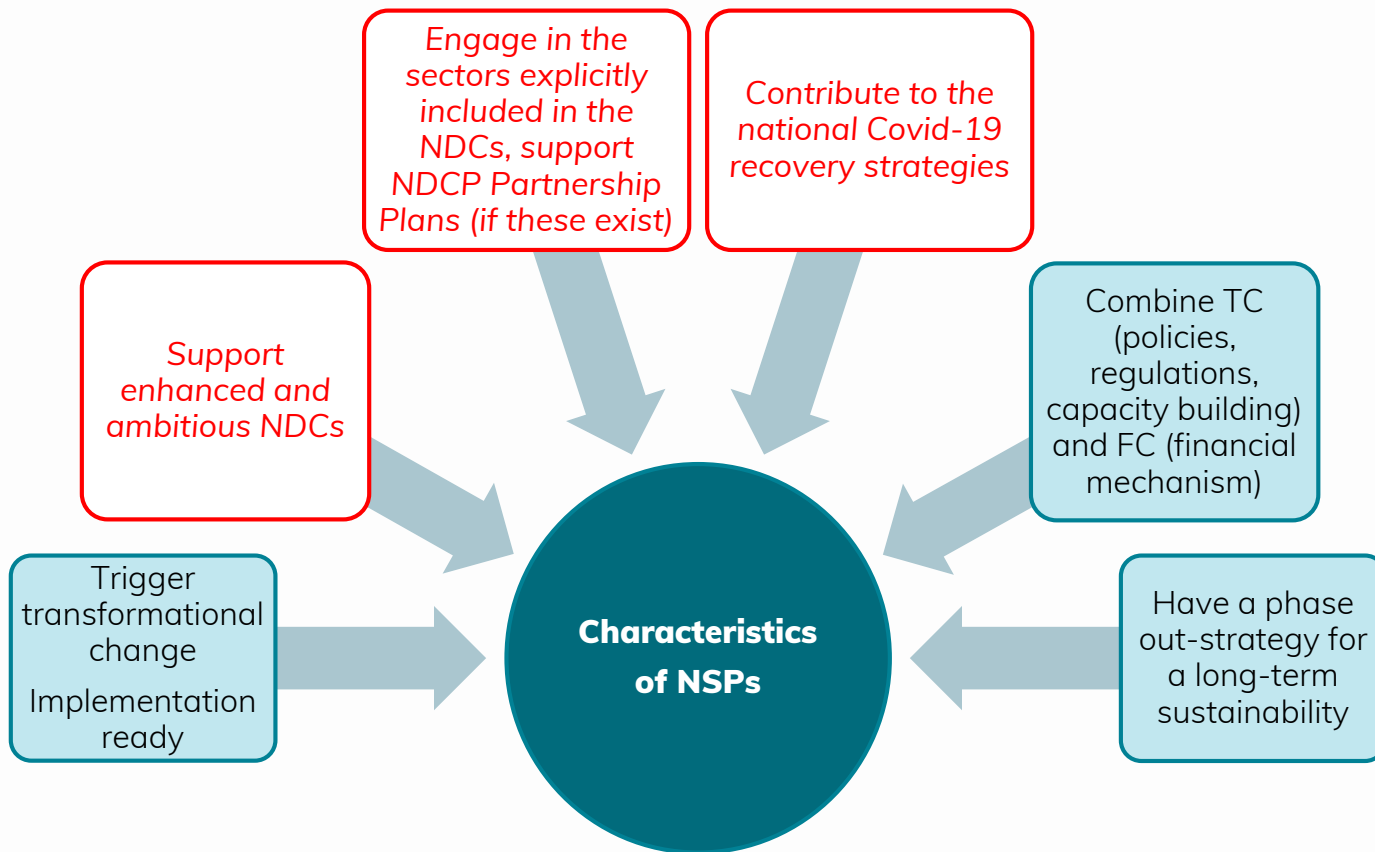
Ambition Initiative Call – Process & Timeline



Ambition Initiative Call - Characteristics of NSPs



Ambition Initiative Call - Characteristics of NSPs



Ambition Initiative Call – Application Documents

NSP Outline Template

- Roughly 20 pages / 10,000 words maximum in total
- Specific changes for the Ambition Initiative Call:
 - Data on submission of enhanced NDCs
 - Emphasis on embeddedness in NDCs, climate policies & NDCP Partnership Plans (if these exist)
 - Section on a national Covid-19 pandemic context and green recovery strategy

Mandatory Annexes

1. Endorsement letters
2. Logframe
3. Applicant / ASP
4. DPP concept (4a) & budget (4b)
5. Financial mechanism (5a) and business model (5b)
6. GHG mitigation potential

Podcast on
Annex 6 is
available on
the NAMA
Facility
website

Application Documents – Update on Annex 5

- Two mandatory parts – **Annex 5a** for the financial mechanism and **Annex 5b** for the underlying business model
- For Annex 5a**, it is **mandatory** to use the NAMA Facility template
- Annex 5b is to supplement Annex 5a and to provide calculations behind the financial mechanism proposed
- For Annex 5b**, an Excel template provided by the NAMA Facility **OR** an Applicant's / ASP's own soft-coded document featuring business model in an Excel or a similar format can be used

3 DESCRIPTION OF THE PROPOSED FINANCIAL SUPPORT MECHANISM			
Based on the market barriers or failures identified in section 2 above for both the supply and demand sides, please provide here information on the financial support instrument(s) offered under the NSP that is/are supposed to help overcome the barriers / failures.			
Loan	Guarantee Fund	Grant/Subsidy	Other
NAMA Facility funding: € <input type="text"/> Co-financing: € <input type="text"/> Lifetime of the NSP fund <input type="text"/> months	NAMA Facility funding: € <input type="text"/> Co-financing: € <input type="text"/> Lifetime of the NSP fund <input type="text"/> months	NAMA Facility funding: € <input type="text"/> Co-financing: € <input type="text"/>	Please, specify NAMA Facility funding: € <input type="text"/> Co-financing: € <input type="text"/>
Equity <input type="text"/> % Debt <input type="text"/> %	What is guaranteed (e.g. repayment of servicing the loan, purchasing power agreement by the utility etc.)? <input type="text"/> Guarantee to cover <input type="text"/> % of loan	Coverage of <input type="text"/> % of investment costs	[please outline here specific features of the proposed instrument]
Loan tenor <input type="text"/> months	What is the investment period? <input type="text"/> months (e.g. loan tenor)	Upper limit <input type="text"/> (specify & identify as amount or %)	
Grace period <input type="text"/> months	Sufficient liquidity in banking sector <input type="checkbox"/> yes <input type="checkbox"/> no If yes, provide data (e.g. loan-to-deposit ratio): <input type="text"/> [please add source as a footnote]	Point in time of the grant/subsidy payment: <input type="checkbox"/> Start of investment project <input type="checkbox"/> Completion of investment project <input type="checkbox"/> Other, please specify	
Interest rate <input type="text"/> %	Market profile (e.g. number of commercial banks active on the market, commercial guarantee schemes available) and how mature is the market? <input type="text"/>		
Assumed default rate <input type="text"/> %	Assumed default rate <input type="text"/> %	Type of grant/subsidy: <input type="checkbox"/> Results-based <input type="checkbox"/> Upfront	
Loan currency (EUR, USD, CNY, etc.): <input type="text"/>	Inflows into guarantee fund (e.g. guarantee fees, interest on invested capital) € <input type="text"/> When are these inflows expected? (e.g. year X of the NSP implementation): <input type="text"/>	Over time, grant/subsidy will <input type="checkbox"/> stay same <input type="checkbox"/> decrease, as follows <input type="text"/>	

Podcast on Annex 5a is coming soon

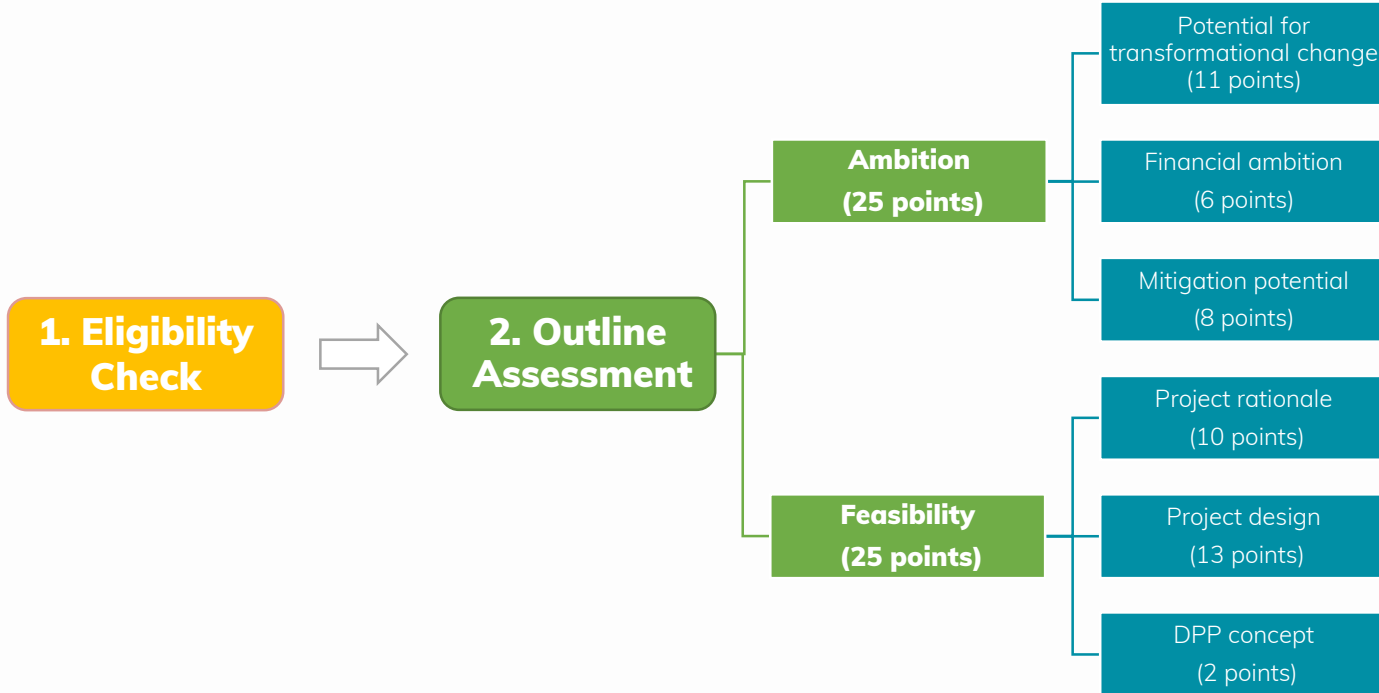
Ambition Initiative Call – Eligibility of NSPs

- Timely submission by the closure of the Ambition Initiative Call **on 31 May 2021, 3 pm CEST**
- **Enhanced NDCs** of the country in which the NSP intends to intervene **are presented to UNFCCC until 31 May 2021 and meet the definition of ambitious NDCs** as specified in GID
- Envisaged DPP duration of either **10 or 15 months**
- Funding volume in the range of **EUR 5-25 million** excluding DPP funding

The **list is not exhaustive!**

Please **consult GID section 5.1.3** for the FULL LIST of eligibility criteria

Ambition Initiative Call – Assessment Criteria



General Information Document (GID)

General Information Document
Ambition Initiative Call for NAMA
Support Projects

12 December 2020

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ANNEXES

- A. Overview
- B. Additional list of specific eligibility criteria for Applicants for NSPs and NDCs

LIST OF ABBREVIATIONS

- ASP Applicant Support Partner
- BSF UK Department for Business, Energy and Industrial Strategy (BEIS), Energy and
- BMF German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety
- CBR Certified Emission Reductions
- DDP Detailed Preparation Phase
- FC Financial Cooperation
- GIZ German GIZ
- GD General Information Document
- GEZ Deutsche Gesellschaft für Internationale Zusammenarbeit
- INGO International Non-Governmental Organisation
- IP Implementing Partner
- IPA Danish Ministry of Foreign Affairs
- MDM Danish Ministry of Climate, Energy and Utilities
- DFW DFW Development Bank
- MEF Monitoring and Evaluation
| NAMA | Nationally Appropriate Mitigation Action |
| NDC | Nationally Determined Contribution |
| NSF | NAMA Facility Grant Agent |
| NSP | Non-governmental Organisation |
| NSO | NAMA Support Organisation |
| NSP | NAMA Support Project |
| ODA | Official Development Assistance |
| TA | Technical Assistance |
| TC | Technical Cooperation |
| TCU | Theory of Change |
| TSP | Technical Support Unit |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UN | United Nations |
| UNEP | United Nations Environment Programme |
| UNEP/WHO | United Nations Environment Programme/World Health Organization |
| UNEP/WHO/WHOCC | United Nations Environment Programme/World Health Organization/World Climate Change |
| UNEP/WHO/WHOCC/WHOCC | United Nations Environment Programme/World Health Organization/World Climate Change/World Climate Change |

Logos: The Hub4U, The Ministry of Foreign Affairs, Danish Ministry of Climate, Energy and Utilities, German Federal Government, Danish Ministry of Climate, Energy and Utilities, GIZ, UNFCCC, UNEP, UNEP/WHO, UNEP/WHO/WHOCC.

Available in:

- English



Download

Clarifications and FAQ Series




- TSU collects written questions and publishes clarification notes every month on the NAMA Facility's website: www.nama-facility.org
- Submit your questions to: contact@nama-facility.org
- Clarification notes will be published on:
 - [14 January](#), 10 February, 10 March, 07 April, 28 April and 19 May 2021
- Join our next webinars:
 - Webinar II: NSP Outline Development: Case Studies and Examples, 24 March 2021
 - Webinar III: Clarification and FAQs, 21 April 2021

Highlighted Resources from the NAMA Facility Website





Central Documents

-  [Application documents & Ambition Initiative Call General Information Document](#)
-  [M&E framework](#)

Webinars

-  [7th Call NSP Outline Development](#)
-  [NAMA Facility Podcast: Introduction to Annex 6 – GHG Mitigation Potential](#)
-  [Financial Mechanisms and the NAMA Support Project](#)

Further Information

-  [Ambition Initiative Call clarifications and FAQ](#)
-  [Transformational change working definition](#)
-  [Sustainable development co-benefits in the NAMA Facility](#)
-  [10 things about the NAMA Facility you always wanted to know – but never dared to ask!](#)

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Q&A (1)

Q: How are NSP Outlines treated that refer to national contexts in which enhanced NDCs are not presented to UNFCCC up until the closure of the Ambition Initiative Call on 31 May 2021?

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The NAMA Facility expects that by the closure of the Ambition Initiative Call in May a significant number of enhanced NDCs will have been presented to the UNFCCC. As stated in the General Information Document (GID), Outlines of NSPs that plan to intervene in a country with an enhanced NDC submitted to the UNFCCC until the closure of the Ambition Initiative Call on 31 May 2021 will be eligible to participate in the Call.

Please note that further NSP Outlines of countries whose NDC updates have been delayed due to the Covid-19 pandemic might be eligible under future Calls of the Ambition Initiative if such rounds will be launched. All related information will be published on the NAMA Facility website in due course.

Q&A (2)

Q: How will Applicants know if the NDCs of countries for which they are developing NSP Outlines are considered “enhanced” and “ambitious” according to the definition as used for the purposes of the Ambition Initiative Call?

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According to the definition as used for the purposes of the Ambition Initiative Call “enhanced” NDCs are characterised by:

- Strengthening mitigation targets and actions over time;
- Strengthening emissions reduction goals (including the addition of sector-specific targets); or by
- Broadening the scope to include a wider coverage of sectors or gases.

Countries may additionally enhance NDCs by moving from conditional to unconditional targets, shortening timelines and/or adding policies and measures (see also GID, section 4.1).

Q&A (2)

Q: How will Applicants know if the NDCs of countries for which they are developing NSP Outlines are considered “enhanced” and “ambitious” according to the definition as used for the purposes of the Ambition Initiative Call?

For an NDC to be considered as “ambitious” according to the NAMA Facility’s definition, the NDC should meet several or all of the criteria:

- Compatibility with the globally agreed temperature limit under the Paris Agreement;
- Mitigation target that:
 - implies a significant reduction of economy-wide GHG emissions below business as usual emissions trajectories; and/or
 - includes a rapid reduction of GHG in key emitting sectors with a view to achieving decarbonization; and/or
 - implies an early peaking of GHG emissions and rapid decarbonization thereafter; and/or
 - is aligned with an existing net-zero target (see also GID, section 4.1).

Q&A (2)

Q: How will Applicants know if the NDCs of countries for which they are developing NSP Outlines are considered “enhanced” and “ambitious” according to the definition as used for the purposes of the Ambition Initiative Call?

In their NSP Outlines Applicants should indicate how the intervention proposed under the NSP would be embedded into the respective ambitious NDCs and therefore why the NSP would meet the targets of the Ambition Initiative Call (see Outline section 2.4 Embedding).

It is noteworthy that in the course of the Ambition Initiative Call the NAMA Facility will not express its views on the level of ambition of individual enhanced NDCs.

Please note: In the webinar on 24 March 2021 the TSU will present more tangible examples of enhanced and ambitious NDCs (fictional example).

Q&A (3)

Q: Given that the NAMA Facility funds are considered as ODA funds, does the NAMA Facility assess only the ambition of a country's conditional NDC or are the contributions in their totality assessed (both unconditional and conditional contributions)?

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The NAMA Facility will take into consideration the totality of a country's NDC, i.e. the unconditional and conditional contribution, in order to assess whether the definition of ambitious NDCs as specified in section 4.1 of the GID has been met.

What's Next?

Upcoming webinars:

24 March: “Case studies and examples”

21 April: “Clarification and FAQs”

Upcoming clarifications:

10 February

10 March

07 April

28 April

19 May

- NAMA Facility website: [dedicated page for the Ambition Initiative Call](#)
- Contact the Technical Support Unit at contact@nama-facility.org

Please remember that the deadline for submitting NSP Outlines under the Ambition Initiative Call is 31 May 2021, 3pm (CEST)

NAMA Facility

On behalf of



Thank you!