

NAMA Facility

On behalf of
 Federal Ministry
for the Environment, Nature Conservation
and Nuclear Safety

 Department for
Business, Energy
& Industrial Strategy

 Danish Ministry
of Energy, Utilities
and Climate



7th Call for NAMA Support Projects

Clarification Notes IV

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Abbreviations

ASP	Applicant Support Partner
CN	Clarification Note
DPP	Detailed Preparation Phase
FAQ	Frequently Asked Questions (a NAMA Facility document)
GHG	Greenhouse gas
GID	General Information Document (a NAMA Facility document)
NAMA	Nationally Appropriate Mitigation Action
NSO	NAMA Support Organisation
NSP	NAMA Support Project
TSU	Technical Support Unit
UNFCCC	United Nations Framework Convention on Climate Change

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I. General Issues and Selection Criteria

CN IV-01 In the Outline document, what is the difference between “Implementing Partners” and “National Ministries 1 and 2”?

"National Ministries 1 and 2" refers to the national ministry responsible for the sector of the proposed NSP and the national ministry responsible for climate change mitigation.

"Implementing Partners" are the key national partners for the implementation of the NSP. Examples for typical Implementing Partners are national (sector) ministries and other public and/or private entities and financial institutions, such as a national development bank or the Ministry of Finance (see GID, section 3.5).

II. Eligible Support Instruments in NSPs

CN IV-02 Is there a limit to the administrative fee (overhead rate) that the NSO can charge for the DPP and Implementation Phase?

The NAMA Facility does not set an upper limit for the overhead rate. However, the proposed overhead rate is assessed with regard to appropriateness and might be subject to further negotiation before a grant agreement is concluded.

CN IV-03 What is a typical loan guarantee coverage rate for NAMA Facility Projects?

There is no "typical" coverage rate for NAMA Facility Projects. Instead, the coverage rate needs to be appropriate in the country and sector context and the right balance needs to be found between a sufficient incentive as well as minimum concessionally.

III. Submission of the NSP Outline and Annexes

CN IV-04 In the case that there is no official country baseline, can we use another baseline study, e.g. one produced by an NGOs to build the indicators for our NSP?

Yes, this is possible.

Please make sure to provide full transparency on the source document in Annex 6. You might also check for whether in other countries with a similar setting such baselines have been already developed and use them as a reference. Ensure to choose the most accurate and conservative data.

CN IV-05 In section 3.3. of the NSP Outline template, what is meant by “NSP Implementation” and “10 years after NSP end”? Assuming our project lasts x years. Do x years classify as “NSP implementation” and does “10 years after NSP end” mean then Year X (when it will end) plus 10 years after?

Yes, this is correct. So, if you intend to implement your NSP within five years, "NSP implementation" would correspond to 5 years and "10 years after NSP end" would mean 5+10= 15 years.

Important Note: We encouraged you to simply copy the results table from Annex 6 (sheet "1 Results" - line 60 and following) into your NSP Outline. If Annex 6 is properly filled, the results table is automatically created.

Good to know: Check out the [podcast](#) with an example of how to fill in Annex 6.

CN IV–06 In section 3.3., the table seems to not allow us filling in annual GHG emission reduction data after the NSP implementation period. Can you please clarify where to add the data?

Please fill in Annex 6, sheets '2 - Parameters & Assumptions', '3 - Direct mitigation', and '4 - Indirect mitigation'. Once you have filled in data also for the respective years after the NSP implementation period, the results table on sheet '1 - Results' (table shown in line 60-84) will automatically create an overview for the GHG emission reductions per year. You can then simply copy this table to the NSP Outline, section 3.3.

CN IV–07 For Annex 6, if a financial mechanism funds Technical Assistance (TA) activities, is the mitigation resulting from those TA activities direct mitigation or indirect mitigation?

The support of technical assistance activities is commonly considered as Technical Cooperation (TC). In the logic of the NAMA Facility, GHG mitigation achieved through TC activities counts as indirect mitigation – irrespective of whether it has been achieved during or after the NSP lifetime. Only emission reductions that are achieved by measures (partially) financed or leveraged by the financial cooperation (FC) component during the NSP period are counted as direct mitigation.

CN IV–08 Is it sufficient to get an endorsement from an environmental unit within a line ministry or does the NAMA Facility require the endorsement from the Ministry of Environment?

Assuming that the Ministry of Environment in this respective country is responsible for climate change mitigation and the UNFCCC negotiations, the NAMA Facility requires the endorsement from that ministry as well, and not just the line ministry. See also FAQ 42.

Good to know: As signed letters might be difficult to obtain during the Covid-19, the Donors of the NAMA Facility agreed to accept e-mails from government officials from the relevant ministries expressing the support to the NSP when NSP Outlines are submitted to the NAMA Facility. The endorsement letters from the Ministries would be requested in case that the NSP is short-listed for an in-depth assessment. The in-depth assessment would take place in early next year.

Read more on further 7th Call changes related to Covid-19 [here](#).

CN IV–09 Should the endorsement letter state the endorsement of the Ministry to the Detailed Preparation Phase or also of the Implementation Phase?

The endorsement by Ministries should cover the full NSP, that is in particular the Implementation Phase.

CN IV–10 Is there a certain hierarchy level within the Ministry that the endorsement e-mail needs to be sent by?

FAQ 44 applies mutatis mutandis to e-mails.

CN IV–11 Is there a need to provide a Theory of Change diagramme or Objective Tree in the NSP Outline?

No, there is no such requirement. Applicants are free to decide whether they want to present such diagramme/chart in the concept for further clarity. Please note: It is mandatory to submit a completed logframe as Annex 2.

CN IV–12 Does the NAMA Facility accept only applications in the NSP Outline template or can we use our own formats?

The NAMA Facility only accepts applications based on the NSP Outline template.

CN IV–13 In the NSP Outline, is the NSP title the same as the Project Title?

Yes, the NSP title and the Project Title are the same.

CN IV–14 In the Outline document, in section 1 under “Emission reduction credits”, it says “NAMA Facility funding is used directly for greenhouse gas mitigation and/or carbon sinks, which will contribute to generating emission allowances, emission credits, or any other type of CO₂ compensation certificates”. A) Is this a question that needs to be answered with yes or no? B) Is the generation of carbon credits or any other type of CO₂ compensation certificates obligatory?

A) The statement should be answered with yes or no. To clarify, it could also be reformulated as: “Is NAMA Facility funding used directly for greenhouse gas mitigation and/or carbon sinks, which will contribute to generating emission allowances, emission credits, or any other type of CO₂ compensation certificates?”.

B) No, the generation of carbon credits or any other type of CO₂ compensation certificates is not obligatory. In cases where carbon credits or any other type of CO₂ compensation certificates are generated, they need to be permanently cancelled in an approved register (see also GID, eligibility criteria, page 10).

CN IV–15 Where can co-financing for the DPP be included (Annex 4b does not include budget lines for co-financing)?

In the Outline template, there is no specific section where co-financing from Applicants / Applicant Support Partners for the DPP shall be included. If you foresee to provide co-financing during the DPP, please address this in Annex 4a DPP Concept. Annex 4b DPP budget shall only include the funds requested from the NAMA Facility for the DPP; that is why there is no specific budget line for co-financing.

CN IV–16 For which periods shall emission reduction be reported?

Emission reduction shall be reported for the "NSP Implementation", for “10 years after NSP end” and for the "technology lifetime". If you intend to implement your NSP within five years, "NSP implementation" would correspond to 5 years and "10 years after NSP end" would mean 5+10= 15 years.

Good to know: Check out the [Annex 6 podcast](#) with an example of how to fill in Annex 6.

CN IV–17 If the NSO and the Applicant Support Partner are identical, does the requested information need to be provided twice?

If the same entity acts as the Applicant Support Partner (ASP) and in a potential implementation as an NSO, the required information does not need to be provided twice. It will be sufficient to include a reference from section 1.8 to section 1.6.

IV. Detailed Preparation Phase (DPP)

CN IV-18 Will there be a DPP Expert pool that supports applicants / applicant support partners during the DPP?

No, the advisory support from the DPP expert pool has been replaced by a general support offer from the TSU during the DPP to engage external expertise. This means that the TSU is prepared to offer NSPs in the DPP support, on an individual basis, for the engagement of external expertise. TSU support could, for example, take the form of drafting the terms of reference for devised assignments or the identification of specific potential experts (see GID, page 20).

Last but not least...

Couldn't find an answer to your question?

In line with our clarification policy for the 7th Call, please submit your question in writing to contact@nama-facility.org.

We will publish the clarification on the NAMA Facility's website as part of the Clarification Note publication and respond to your query directly. The next Clarification Note will be published on 25 August 2020 – be sure to submit your question to the NAMA Facility by 22 August 2020 to ensure that your clarification is included.