NAMA Facility Webinar:
5th Call Introduction
29 November 2017
The NAMA Facility Webinar Team

From left to right: Zac, Sören, Tina, Ash and Janka
Structure of the Webinar

I. Introduction

II. 5th Call Processes and Timeline
   Q&A

III. Assessment Criteria
   Q&A

IV. The Outline Template
   Q&A
I - Introduction
Technical Overview

Grab Tab: From the Grab Tab, you can:
1. Hide the Control Panel
2. Adjust your mute status
3. View the webinar in full screen
4. Choose your preferred language

Questions Window: Send us your thoughts!

If you have any questions during the webinar, you can pose them in the Questions Window for the organiser to answer. Enter your question and click Send. The links in this webinar connect you with important documents for the 5th Call.
What is it about?

The NAMA Facility supports developing countries and emerging economies in implementing ambitious actions to mitigate greenhouse gas emissions (Nationally Appropriate Mitigation Actions, NAMAs) as building blocks for the realization of the Nationally Determined Contributions (NDCs) under the Paris Agreement.

Supported mitigation projects should demonstrate how they are:

• country-led and embedded;
• within sector-wide programmes - specific NDC reference;
• tackling barriers: investment for low-carbon development; and
• innovative financing mechanism to attract investment - ultimately self-sustaining.
I - Introduction
The NAMA Facility (ii)

What the NAMA Facility does
• Implement NAMA Support Projects (NSP) as the most ambitious part of the NAMA
• Provide funding for a combination of financial and technical measures
  • NSP funding range: five to 20 million euros
• Selects NSPs in annual bidding round (Calls)
  • No sectoral or regional focus

Key requirements for project selection
• Implementation readiness
  • Implementation period: three to five years
• Mitigation potential
• Transformational change
Facts about the NAMA Facility

• Multi-Donor fund established by Germany (BMUB) and UK (BEIS) in 2013, joined by Denmark (EFKM, MFA) and the European Commission in 2015.

• Total funding earmarked through the NAMA Facility since its inception is approximately EUR 347 million.

• The current portfolio of the NAMA Facility comprises 20 NAMA Support Projects from various sectors and regions that have been identified in the first four Calls.
I - Introduction
The 5th Call of the NAMA Facility

- The 5th Call has been launched on 13 November 2017.
- Donors intend to commit up to EUR 85 million of additional funding for the 5th Call.
- Only minor changes compared to the 4th Call, following the principles of:
  - simplified documentation;
  - enlarged circle of eligible applicants; and
  - enhanced support for preparation.
- Expectation level remains high: the substance of the requirements for NSPs to be selected is kept stringent. The NAMA Facility provides FAQ document, webinars, factsheets and further information to clarify them.
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II - 5th Call Process and Timeline

- **Applicant/ Applicant Support Partner/ NSO**
- **TSU / NFGA and/or external evaluators/assessors**
- **Donors of the NAMA Facility**

**Call**
- 13 November 2017 – 15 March 2018

**Funding decision**
- 13 November 2017

**Outlines**
- Last submission: 15 March 2018; 3 pm

**Assessment of Outlines**
- 16 March - July 2018

**DPP**
- July 2018

**Proposal**
- Submission within 18 months

**Board decision**
- 6-18 months

**Assessment of Proposals**
- 3-5 years

**Implementation**
II - 5th Call Process and Timeline

Who Can Submit Outlines?

<table>
<thead>
<tr>
<th>When</th>
<th>What</th>
<th>National Ministry</th>
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<tbody>
<tr>
<td></td>
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<td>- Should suggest a legal entity as Applicant Support Partner for the DPP or</td>
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<td>Legal entity (Applicant/Applicant Support Partner)</td>
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<td>- must demonstrate the endorsement of Ministries</td>
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<table>
<thead>
<tr>
<th>Detailed Preparation Phase (DPP)/Proposal phase</th>
<th>Implementation phase</th>
</tr>
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<tbody>
<tr>
<td>Contracting of DPP</td>
<td>Contracting of NSP implementation</td>
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<tr>
<td>Submission of Proposal</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Legal entity</th>
<th>Legal entity (NAMA Support Organisation – NSO)</th>
<th>Legal entity (NSO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Needs to fulfill eligibility criteria (see GID, 5.1.1) - Implements DPP in close cooperation with national Ministries and NSO</td>
<td>- Needs to fulfill eligibility criteria (see GID, 3.4 and 5.2.2) - Must demonstrate the Endorsement of national Ministries</td>
<td>- Needs to fulfill eligibility criteria (see GID, 3.4 and 5.2.2) - Implements NSP in close cooperation with national Ministries and other implementing partners</td>
</tr>
</tbody>
</table>

Outline phase
Submission of Outline
II - 5th Call Processes and Timeline
Clarification Policy During the 5th Call

Clarifications and FAQ Series
TSU will collect written questions in regards to the 5th Call and publish Clarification Notes **every month** on the NAMA Facility’s website: [www.nama-facility.org](http://www.nama-facility.org)

- Submit your questions to: contact@nama-facility.org

- Clarification Notes are published on:
  13 November 2017
  7 December 2017
  4 January 2018
  8 February 2018
  1 March 2018

- Join the 2nd Webinar on 31 January 2018
  - For any questions you may have regarding this webinar, please submit them to us by 20 January.
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III - Assessment Criteria: Eligibility Criteria

Eligibility criteria

• Timely submission
• Completeness of documents (including endorsement letters)
• Documents provided in English
• Funding volume for implementation EUR 5-20 million, exceptionally may deviate from this
• Implementation duration of 3-5 years
• Envisaged DPP duration of max. 18 months
• ODA-eligibility of the country throughout the implementation period of the NSP
III - Assessment Criteria: Ambition and Feasibility

Qualitative assessment

A maximum of 50 points, 25 each on **Ambition** and **Feasibility**.

**Ambition**: does the project shift a country/sector onto a low-carbon trajectory?
- Potential for transformational change (11 points)
- Financial ambition (6 points)
- Mitigation potential (8 points)

**Feasibility**: can the project be implemented successfully?
- Project rationale (10 points)
- Project design (13 points)
- DPP concept (2 points)
### III - Assessment Criteria: Potential for Transformational Change (11 Points)

- Potential for transformational change i.e. to sustainably redirect the flow of public and private funds towards GHG mitigation actions.
- Political will towards GHG mitigation should translate into laws & regulations.

- Detailed criteria are:
  - government commitment / endorsement;
  - embeddedness in national strategies including co-benefits as drivers for implementation and the linkage to the NDCs;
  - catalytic effect and scope (significant change);
  - replicability/scalability at national and/or regional level; and
  - sustainability (irreversible change).
III - Assessment Criteria: Financial Ambition (6 Points)

- Mobilization of public and private funding (i.e. leverage) in terms of national public contribution and private sector funding are as key for inducing change towards a low-carbon development pathway.

- Financial leverage and level of concessionality should be appropriate relative to the sector and the country.

- Detailed criteria are:
  - removal of financial/economic market barriers;
  - significant private sector participation;
  - significant public budget contribution; and
  - participation of other (possibly development) financiers.
III - Assessment Criteria: Mitigation Potential (8 Points)

- The mitigation potential shows the direct and indirect contribution of a NSP to the 1.5°/2° objective and the country’s NDC. It is assessed on relative terms, i.e. relative to the sector and the country context.

- Detailed criteria are:
  - plausibility of underlying assumptions, baseline, calculations;
  - direct mitigation potential;
  - indirect mitigation potential; and
  - cost-effectiveness.
III - Assessment Criteria: Feasibility

Readiness
• Readiness = readiness of financing mechanism (should be operational within 1 year of start of the implementation phase).
• Readiness of a regulatory scheme (regulations need to be in place, political will must be shown and regulation must be under way as a pre-condition, not an outcome of the project).

Selecting financial mechanisms
Business models

Investment barriers overcome?

Appropriate financial products

Leverage effect & concessionality

Phase-out concept

Institutional set-up

Making best use of NF grant funds

Achieve a permanent transformation post NSP

i Webinar on Transformational Change and Financing Mechanisms
i Presentation on Transformational Change and Financing Mechanisms
i Factsheet on Financing Mechanisms
i Presentations from workshop “Climate Finance in Action”
III - Assessment Criteria: Project Rationale (10 Points)

• The key criterion here is comprehensive barrier analysis that clearly shows the current sector situation and what impedes transformational change. The NSP is to tackle these barriers and to not only work around them.

• NSPs should as far as possible use synergies with other projects.

• Detailed criteria are:
  – plausibility of barrier analysis;
  – plausibility of project rationale;
  – clear logframe (indicators and risks);
  – clear definition of target group;
  – clear definition of synergies with other projects;
  – appropriate and clear scope of the NSP; and
  – justification of NAMA Facility funds/additionality.
III - Assessment Criteria: Project Design (13 Points)

- The project concept needs to respond to the barrier analysis and show how regulatory measures, financial mechanisms, technology shifts and capacity building work together towards the proposed transformational change.

- The financing mechanisms of a NSP (based on sound business models for investors / consumers), possibly combined with regulatory initiatives, should kick-start a re-direction of investment and cash flows in the sector.

- Detailed criteria are:
  - adequate institutional set-up;
  - high level of readiness;
  - feasible and appropriate technology(ies);
  - plausible business model(s) at investment level;
  - appropriate financial mechanism and possibly regulation;
  - clearly defined technical cooperation and assistance measures; and
  - reasonable funding request.
III - Assessment Criteria:
Detailed Preparation Phase (DPP) (2 Points)

• The concept for the DPP should demonstrate the required detail and readiness of an implementation-ready Proposal.

• The concept should also show what can be done in-house and where additional expertise (e.g. financial competence) needs to be hired from external sources.

• Detailed criteria:
  – adequate focus;
  – comprehensiveness (complete and cohesive);
  – adequacy of approach /methodology;
  – realistic timeline; and
  – appropriateness of requested funding for DPP.
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IV - The Outline Template

• NSP Outline template: four sections
• Five mandatory annexes, plus two optional ones
• Roughly 20 pages / 10,000 words in total – not a requirement, but rather for your guidance
Q: Who actually submits the NSP Outline to the NAMA Facility?

A: The Applicant, which may be:

- a national ministry; or

- an entity that fulfills the stipulated eligibility/capacity criteria and receives endorsement from the national government.
IV - The Outline Template
Section 1 (i)

<table>
<thead>
<tr>
<th>1.2 National ministry 1</th>
<th>Name of responsible national ministry</th>
<th>Please indicate the name of the national ministry responsible for the sector of the proposed NSP. For other relevant implementing partners please refer to 1.5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department</td>
<td>Please provide the name and email address of a focal point for all communication with the TSU.</td>
</tr>
<tr>
<td></td>
<td>Postal Address</td>
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<td>Contact Person</td>
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<td>Letter of Support</td>
<td>Please provide a letter of support for the NSP in Annex 1. The letter should state the specific project title and include a reference to the entity submitting the application.</td>
</tr>
<tr>
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<td>□ Official support letter attached</td>
</tr>
</tbody>
</table>

| 1.3 National ministry 2 | Name of responsible national ministry | Please indicate the name of the national ministry responsible for climate change mitigation.                                                                                                                                                                     |
|------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------
|                        | Department                           |                                                                                                                                                                                                                                                          |
|                        | Postal Address                       |                                                                                                                                                                                                                                                          |

Contact Person
Please provide the name and email address of a focal point for all communication with the TSU.

Telephone
Email
Website
Letter of Support
Please provide a letter of support for the NSP in Annex 1. The letter should state the specific project title and include a reference to the entity submitting the application.
□ Official support letter attached
IV - The Outline Template
Section 1 (ii)

Main Implementing Partners:
- existing key national partners (entities) with a specific national mandate for implementation and relevant experience, see GID 3.5

NSO:
- NF contracting partner for implementation, NSO confirmed in beginning of DPP
- stricter eligibility criteria for NSO than for Applicant / Applicant Support Partner, see GID 5.2.2

Applicant / Applicant Support Partner:
- will be contracting partner for DPP;
- can submit the Outline if endorsed by the national government;
- may be a consortium with a lead partner;
- may be different from NSO; and
- is a legal entity that fulfills eligibility criteria as per GID 5.1.1, including:
  • experience in country (at least 3y)
  • experience in sector (at least 5y)
  • project development/management (at least 5 projects of similar size)
  • investment/climate finance policies/programmes (at least 5 projects)
  • work with public sector (at least 3y)
  • annual turnover of at least €1m last 3y & 10% of requested funding.

GID = 5th Call General Information Document
IV - The Outline Template
Section 2 (i)

Section 2 provides space for a concise and coherent description of the NSP.

Questions here are posed for your guidance.

<table>
<thead>
<tr>
<th>2. Project Concept</th>
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</thead>
<tbody>
<tr>
<td><strong>2.1. Executive summary</strong></td>
</tr>
<tr>
<td>(~ 400 words)</td>
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</table>
| Please provide, in three paragraphs, a description of the project:
  - Paragraph 1: context, main challenges regarding the switch development in the country and sector, embeddedness into international targets, context of the project.
  - Paragraph 2: project objectives and planned measures. List support mechanisms.
  - Paragraph 3: ambition of the project referring to potential for transformational change, financial ambition and GHG mitigation.

| **2.2. Barrier analysis** |
| (~ 500 words) |
| Please provide, in bullet points and in order of importance, a description of the central barriers, which are preventing a transformational change in the sector(s) (e.g., economic, technical, regulatory or structural barriers, etc.).
- Is the government already working on regulations concerning these barriers? Are there any other actors working on these barriers?
- If the project builds on former projects or phases and/or if there are government schemes for the (sub-)sector, please analyze their lessons learned, especially on aspects that need further refinement.
- Please note that simply circumventing barriers instead of removing them is not considered transformational.

| **2.3. Project rationale** |
| (~ 300 words) |
| Please describe the project rationale (see logframe in Annex 2):
  - Please describe the starting situation and how the NSP addresses the barriers and why the intervention will be particularly efficient in inducing change towards sustainable low-carbon development.
  - The project’s objectives and what will be different at the end of the project.
  - The target group (e.g., public, private, households). Indicate numbers of people/households, their regional spread as well as their economic situation (average income), if applicable average size of land for farmers, owner/user problematic for buildings etc. What will have changed for the target group as result of the NSP’s intervention?
Section 2 (ii)

- Explain the business model
- Explain the financial support mechanism(s)
- Linkage of NSP to Nationally Determined Contributions
- Co-benefits as drivers of change
Present the core components of the NSP’s ambition.

Financial contributions to the NSP are also reflected in Section 4.
IV - The Outline Template
Section 4

### Expected Budget and Financing Structure (in EUR)

**4.1 NSP Implementation: Overall cost and financing contributions (Estimate)**

Please estimate the financing contributions for the implementation of the **overall** NSP from the different financing sources. (double click on the table allows working in excel)

<table>
<thead>
<tr>
<th>NSP - Implementation</th>
<th>Total cost</th>
<th>Nama Facility</th>
<th>National budget</th>
<th>private sector</th>
<th>other donors</th>
<th>total finance</th>
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</thead>
<tbody>
<tr>
<td>1. Financial mechanism(s)</td>
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<td>1.1 mechanism x</td>
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<td>2. TA (Expert services / consulting)</td>
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<td>3. Other direct and indirect costs</td>
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<tr>
<td>Total &lt;gross&gt;</td>
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Please be aware that 1% of the overall NF budget need to be reserved for M&E (mid-term and final evaluations).

Please provide a brief explanation on how secured the different funding sources:

- 
- 

If applicable, please provide a brief explanation on any deviation from the recommended volume provided by the NAMA Facility (EUR 5-20 million).

- Direct + indirect costs:
  - include costs for NSP monitoring and communication
  - include overhead, taxes, one per cent for NSP evaluation, etc.

- Insert the proposed financial support mechanisms and individual financing sources.

- Evaluation budget is not available to the NSO, but is used in the centralized commissioning of the evaluation.
Annex 1: Endorsement letter

Please submit two endorsement letters from the national government:
- One from the relevant sector ministry
- One from the ministry responsible for climate change mitigation

The endorsement letters are to assure that the proposed NSP has the political support of the partner country and sector and is well embedded in its respective activities.

The endorsement letters should contain the following minimum information:
- Embedding of the NSP in the overall climate change mitigation strategy (NDC, NAMA)
- Embedding of the project in the sector strategies
- Envisaged co-finance the NSP by the government
- Endorsement of the applicant (if different from a ministry)
- Endorsement of the NAMA Support Organisation—if already selected
- Naming of the foreseen national implementing partners
- Role of the ministry in implementation
### IV - The Outline Template

**Annex 2**

Important: These should reflect the five mandatory Core Indicators of the NAMA Facility:

- **M1** Reduced GHG emissions
- **M2** Number of people directly benefiting from NAMA Support Projects
- **M3** Degree to which the supported activities are likely to catalyse impacts beyond the NAMA Support Projects
- **M4** Volume of public finance mobilised for low carbon investment and development
- **M5** Volume of private finance mobilised for low-carbon investment and development

List all relevant assumptions and risks. They are an important element to understand the NSP and assess its feasibility.

<table>
<thead>
<tr>
<th>NAMA Support Project (title)</th>
<th>Logframe created on (date):</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Summary</th>
<th>Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions / Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact</td>
<td>Indicator: Baseline value: Target value: <em>(please add as needed)</em></td>
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<td>Not to be filled in!</td>
</tr>
<tr>
<td>Outcome (Project Component)</td>
<td>Indicator: Baseline value: Target value: <em>(please add as needed)</em></td>
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<td><em>(please list the essential assumptions for reaching the overarching project goal)</em></td>
</tr>
<tr>
<td>Output</td>
<td>Output 1: Indicator: Baseline: Target:</td>
<td>(please list the essential assumptions for reaching the project outcome)</td>
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<td>Output 2: Indicator: Baseline: Target:</td>
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<td>Output 2: Indicator: Baseline: Target:</td>
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<tr>
<td>Main activities</td>
<td>Not to be filled in!</td>
<td>Not to be filled in!</td>
<td><em>(please list the essential assumptions for reaching the outputs)</em></td>
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<td>Activity 1</td>
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<td>Activity 2</td>
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</tbody>
</table>

[Monitoring & Evaluation Guidance for NSPs]
Information is needed to assess eligibility of (Co-) Applicant. References should substantiate the information regarding capacities.

If forming a consortium, please provide information on both organisations and indicate the lead partner.
The DPP concept defines the “Terms of Reference” for the DPP. It is subject to the overall Outline assessment and might be amended or modified during the on-site assessment or before conclusion of the grant contract. The finalised concept will be the basis for the funding to be provided for the DPP.

Guiding questions shall help to define the scope of the DPP. The concept needs to reflect the crucial issues to be further explored, analysed and conceptualised during the DPP as well as the method and procedures the Applicant or Applicant Support Partner is proposing (e.g. tendering of consulting services, preparation by own staff etc.).

In this DPP concept, please do not repeat the information provided in the Outline. Stipulate your open issues to be researched and refined during the DPP.

The DPP concept should be limited to 15 pages excluding the GANTT Chart and the Budget.

**Content**

1. Brief description of the proposed NAMA Support Project  
2. DPP mandatory Output  
3. Scope and content of the Detailed Preparation Phase  
4. DPP Activities and Methodology  
5. Gantt-Chart for the DPP  
6. Total cost of detailed preparation

Demonstrate a clear **plan for developing a sound, full-fledged proposal ready for implementation**, including questions / issues to be clarified, central stakeholders, resources and methods needed.

DPP concept is part of the desk assessment on feasibility.

During the on-site assessment, the DPP concept will be finalised (possibly with adjustments, such as the inclusion of hard milestones).
References should substantiate the information on capacities.

If forming a consortium, please provide information on both organisations and indicate the lead partner.
Annex A:
- baseline scenario
- mitigation technology
- yearly and cumulative mitigation potential
IV - The Outline Template
Annex B (Optional)

Annex B:
- business model and the financial mechanism: an assessment of economic viability

*Important: The Excel file for Annex B contains three sheets in total.

Financial model and phase-out concept
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Central Documents

General Information Document

FAQ and Clarifications I, published on 13 November 2017

5th Call Application Documents

Inspiring Ambitious Action on Climate Change

Monitoring and Evaluation Framework
Next webinar: 5th Call introduction, clarifications and FAQs
When: 31 January 2018
Information on the NAMA Facility’s website and by invitation

Further information on the 5th Call:
http://www.nama-facility.org/call-for-projects.html

Or contact the Technical Support Unit at
contact@nama-facility.org