

Ambition Initiative – Round Two for NAMA Support Projects

Clarification Notes II

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Abbreviations

ASP	Applicant Support Partner
CN	Clarification Note
DPP	Detailed Preparation Phase
FC	Financial Component of an NSP
GHG	Greenhouse Gas
GID	General Information Document (a NAMA Facility document)
NAMA	Nationally Appropriate Mitigation Action
NDC	Nationally Determined Contribution
NSO	NAMA Support Organisation
NSP	NAMA Support Project
TC	Technical Component of an NSP
TSU	Technical Support Unit

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I. General Issues

CN II-01 Could you specify whether Ambition Initiative - Round Two is open to a submission of new NSP Outlines? The current concern is that the Call, as it is a "second round", will only consider NSP Outlines that have successfully passed Ambition Initiative - Round One.

The Ambition Initiative - Round Two is an independent new Call of the NAMA Facility and is open to both new NSP Outline submissions and re-submissions from the previous Calls of the NAMA Facility.

II. Selection Criteria

CN II-02 Is it expected that the funding provided by the NAMA Facility covers the entire cost of the NSP implementation or only a part of it?

The funding that can be provided by the NAMA Facility for a NSP Implementation as part of the Ambition Initiative - Round Two can lie in the range between EUR 5 and 25 million and can cover a full cost of the NSP Implementation or a part of it if the NSP is co-financed through other public and / or private sources of financing. At the same time, NSPs are expected to propose financial mechanisms that enable the leveraging of public and private funds in order to make best use of the funding provided by the NAMA Facility to the NSP (for details, please refer to FAQ 36). While there is no specific share or threshold that public and / private co-financing needs to amount to, it is important for each NSP to demonstrate how the mitigation technology or practice proposed will be financed and showcase that the NSP will create favorable market conditions for further uptake / replication and upscaling of the mitigation technology or practice. Further details with regard to leveraged funds can be found in CN I-07, FAQ 40 and FAQ 52.

III. Eligibility of countries

CN II-03 Can a country be considered ineligible under a NAMA Facility Call in cases of security concerns or open conflicts?

All countries that are listed on the so-called OECD DAC list of recipient countries throughout the entire Implementation Phase of a proposed NSP are eligible to receive funding from the NAMA Facility. Depending on the design and geographic scope of a proposed NSP, security concerns might be taken into account during the Outline assessment process in case the security situation can significantly undermine the possibility of a full-scale successful implementation of a NSP and/or may severely negatively affect up-scaling ambitions of a NSP. In addition, if the NSP is selected for a Detailed Preparation Phase (DPP), during DPP, the NSO(s) will undergo a two-staged Due Diligence process that will take into account institutional risks linked to the existence of a conflict or a tense security situation. Nevertheless, as an individual criterion, an existence of a conflict and / or a tense security situation will not lead to an automatic exclusion of the NSP Outline or a country the NSP is planned to be implemented in from the participation in a Call of the NAMA Facility.

IV. Eligibility of Applicants and Applicant Support Partners (ASP)

V. Eligibility of Sectors and Technologies

CN II-04 Does the NAMA Facility have a detailed list of technical and regulatory approaches that are eligible for support?

No, the NAMA Facility is open to a wide array of approaches and aims to finance innovative projects that tackle specific local challenges for reducing GHG emissions in sectors and countries with strong potential for up-scaling, replication and the ability to influence wider sectoral changes. A set of characteristics that successful NAMA Support Projects have to demonstrate is outlined in GID, section 4.1. Please also refer to CN I-11, FAQ 30 and FAQ 50.

VI. Eligible Support Instruments in NSPs

CN II-05 Does the NAMA Facility expect that the regulatory framework in the sector that a NSP plans to target is fully developed and already favourable for the NSP implementation, or can advisory services to the government for further enhancement of the regulatory and legislative environment be part of the NSP?

According to GID, section 4.1, NSPs should consist of a combination of policy and/or regulatory reforms and financial mechanisms. It is expected that the Technical Cooperation (TC) component of the NSP, focusing among others on the enhancement of policies and legislative conditions, will help create an enabling environment for the NSP implementation, its upscaling and sectoral transformation. Regulatory and / or fiscal reforms facilitated through the NSP's TC as well as its financial mechanisms will in turn channel financial flows into investments driving carbon-neutral development pathways. Thus, there is no expectation from the NAMA Facility that NSPs are implemented in a ready-made favourable regulatory environment, but that NSPs can significantly improve and drive forward the existing policy frameworks in order to make the promoted mitigation technology more attractive.

VII. Submission of the NSP Outline and Annexes

CN II-06 Where does an Applicant or an Applicant Support Partner (ASP) can find guidance as of how to fill in the application documents?

Each template in the set of application documents under Ambition Initiative - Round Two includes detailed guidance for applicants helping them to fill in the NSP Outline template and Annexes correctly. The TSU has also published two podcasts on [Annex 5a Financial Mechanism](#) and [Annex 6 GHG mitigation potential](#) respectively providing step-by-step instructions for filling in the Annexes. It is also helpful to consult the checklist ["Before You Submit the NSP Outline: Critical Questions & DOs and DON'Ts"](#). Last but not least, a fictional [NSP Outline "Towards Carbon-Neutral Totinia Now!"](#) from the 6th Call can be used as an additional example of how the information on a NSP can be presented in the NSP Outline template. Please also refer to FAQ 6.

CN II-07 What is the expectation of the NAMA Facility with regard to the level and depth of the national endorsement of a NSP?

The NAMA Facility expects a high level of coordination and cooperation between the Applicant or Applicant Support Partner (ASP) and the national ministries (i.e. the Ministry responsible for climate policies and the line Ministry in the sector that the NSP plans to target if different from the climate-related Ministry). Already at the Outline stage, endorsement letters serve as a proof of a full governmental commitment and high level of national ownership as well as are supposed to demonstrate continued support for the entire duration of the NSP, that is in particular the Implementation Phase. For additional information on the content of endorsement letters, please refer to FAQ 57.

Good to know: If after a desk-based assessment the NSP Outline is approved to enter the in-depth assessment stage, an Applicant or an ASP will be requested to organise interviews with the national ministries and agencies that are crucial for the NSP implementation, therefore a close cooperation and coordination of efforts is expected not only between the Applicant / ASP and the government, but also across the governmental institutions.

VIII. Contracting

Last but not least...

Couldn't find an answer to your question?

In line with our clarification policy for the Ambition Initiative 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 23 February 2022 – be sure to submit your question to the NAMA Facility by 20 February 2022 to ensure that your clarification is included.