Ambition Initiative – Round Two for NAMA Support Projects

Clarification Notes VI
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I. General Issues

CN VI-01 Assuming that as part of an NSP in implementation items are procured, e.g. a renewable energy technology, and private sector actors contribute co-funding for the purchase of this item: Will those assets become the full property of those private actors?

Depending on the details of the case in question, generally those assets will become the property of the private actors investing. However, please keep in mind that all NSPs need to serve a public-benefit purpose and beneficiaries of NSPs must be selected in an open and transparent way.

CN VI-02 According to GID, the potential NSO(s) are required to have experience with the implementation of projects with a similar funding volume as requested from the NAMA Facility. In case of two different NSOs managing different NSP components, would each of the NSOs be required to demonstrate its ability to manage funding comparable to the amount that it will be managing as part of the NSP?

Yes, among other eligibility criteria, an NSO or NSOs that will be responsible for the implementation of the NSP (upon a successful submission and selection of the NSP Proposal after DPP), are required to demonstrate their experience with funding volumes comparable to the budget they will manage as part of the NSP.

Please note that an NSO can be different from an Applicant or Applicant Support Partner (ASP). An NSO or NSOs can be identified and nominated within the first three months of DPP in case of a successful selection of an NSP Outline.

II. Selection Criteria

CN VI-03 Are projects with a focus on social issues that also support low-carbon development prioritized in the selection process?

The NAMA Facility's focus is on supporting the implementation of mitigation actions. As we are looking for NSPs that have the potential to trigger transformational change towards carbon-neutral development pathways, significant co-benefits (social, economic, environmental) are considered important drivers for transformational change. In short, while the focus of the NSP should be on mitigation action, social and other co-benefits are positively evaluated as part of the potential for transformational change.

III. Eligibility of countries

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

CN VI-04 Can a ministry suggest more than one legal entity to become Applicant Support Partner?

Yes, it is possible that the Applicant Support Partner is made up of a consortium of legal entities. Please also check FAQ 23.

V. Eligibility of Sectors and Technologies
VI. Eligible Support Instruments in NSPs

CN VI-05 Are all private sector investments considered as leveraged funds? How can private sector investments play a role in a financial mechanism?

Private investments as any type of investments mobilised by the NSP are considered as "leveraged funds". Through the investments, private sector stakeholders can participate in the financial mechanisms and products offered by the NSP, e.g. in a form of a collateral, equity, loan guarantee. Please refer to CN I-06 for details.

VII. Submission of the NSP Outline and Annexes

CN VI-06 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?

Yes, this is possible and recommended as it would help to demonstrate the level of certainty for the co-funding.

VIII. Detailed Preparation Phase (DPP)

IX. Contracting

CN VI-07 What procurement / contracting rules are to be followed in case of funding provision to partners of the NSP?

At the Detailed Preparation Phase (DPP) stage, if the NSP foresees that certain funds are forwarded to the NSP partners, it should be reflected in Annex 4b - DPP Budget. Details and instructions for filling in the respective sheets are provided directly in the Annex. If the NSP plans to procure certain goods or services, the requirements stipulated in Article 6 of a contract for DPP should be followed along with the "Contract and Award Procedure for Supplies and Services" of GIZ as NFGA. We would recommend you to take a look at the example of a contract template for DPP on the NAMA Facility website. Please also refer to FAQ 73 for details regarding the procurement rules as well as FAQ 71 to learn more about activities that are eligible for support in DPP and thus can be funded by the NAMA Facility.

CN VI-08 Does the NAMA Facility finance the procurement of material by the Government to implement a NAMA Programme at the national level?

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.

Last but not least...

This has been the last round of clarifications in Ambition Initiative – Round Two. We hope, our clarifications and webinars have been helpful for you to prepare your NAMA Support Project (NSP) Outline.

We are looking forward to receiving your NSP Outlines latest by 30 April 2022, 3pm CEST.