

Ambition Initiative – Round Two for NAMA Support Projects

Clarification Notes V

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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 V-01 Do you have any compilation of lessons learnt on gender equality and gender mainstreaming activities in the NSPs?

So far, the NAMA Facility has not published any specific guidance or lessons learnt regarding activities that target gender equality and gender mainstreaming. Please check the [NAMA Facility website](#) regularly in order not to miss any new publications.

II. Selection Criteria

III. Eligibility of countries

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

CN V-02 According to GID, Applicants/ASPs in the Outline Phase are required to have experience with project development and/or project management referencing at least 5 projects of similar funding size as the NSP. Does the "funding size as the NSP" refers to the Detailed Preparation Phase (DPP) or to the potential implementation budget of the NSP? What would be the acceptable "similar" range?

Applicants or ASPs in charge of implementing the DPP of an NSP Outline selected must have capacities to effectively manage the DPP. Thus, at the Outline Phase, they are required to demonstrate their experience with funding volumes comparable to the budget requested for the DPP. As currently there is no specific definition of what "similar" funding size can be, a deviation of up to +/- 20% from the DPP budget requested would be a sensible proxy.

Please note: At the latest three months from the start of the DPP, the NSO(s) need(s) to be identified and confirmed. Eligibility criteria for the NSOs for the NSP implementation are different, and more demanding, than for the Applicants/ASPs submitting an Outline. Please refer to [GID](#) section 5.2.2 "Applicants in the Proposal Phase/NSOs" and Annex 2 for details.

V. Eligibility of Sectors and Technologies

CN V-03 Among the lessons learnt in the sector of energy efficiency (EE) presented during the [Webinar III - Clarifications & FAQs \(Ambition Initiative - Round Two\)](#), you have mentioned the need to consider different climate zones when designing housing interventions. Would this also apply to the European context, e.g. for countries that have limited temperature differences even across different climate zones?

The existence of climate zones depends on a specific country context, and their impact on the EE savings potential would need to be assessed by the NSP. Per se, differences in temperature that are properly accounted for in the NSP design / intervention, have higher impact in terms of the potential EE savings in comparison to other types of climatic differences, however it depends on technology and approach that is proposed under the NSP. In general, various possible impacts on the EE savings potential should always be considered, e.g. weather phenomena such as droughts and cyclones.

CN V-04 Is it possible for an NSP Outline targeting EE in buildings to combine the intervention with the establishment of renewable energy (RE) technologies?

Yes, if properly justified and conceptualised, NSPs can target more than one sector, in particular, RE and EE interventions can be integrated.

VI. Eligible Support Instruments in NSPs

CN V-05 Can the NAMA Facility funding be used to provide guarantees to financiers / investors as part of the NSP's financial mechanism?

Yes, it is possible for the NSP to use the NAMA Facility funding to establish a guarantee fund, but it is worth keeping in mind that the design of the financial mechanism should be based on a thorough analysis of the existing market and respective barriers for investment. If a guarantee mechanism can help overcome these barriers, it can be proposed as part of the Financial Cooperation (FC) component. For more information and different designs of financial mechanisms, please make sure to check the [website](#) and consult the [NAMA Facility portfolio](#).

VII. Submission of the NSP Outline and Annexes

CN V-06 If an NSP foresees multiple sub-projects to be supported with the NAMA Facility funding, should a business model be presented at the sub-project level or at the level of the NSP as a whole (e.g. projection of allocation of funds to all sub-projects, respective repayments, etc.)?

In case of multiple similar interventions / sub-projects supported through the NSP, it would be recommendable to (1) demonstrate a business model of a typical sub-project, incl. CAPEX and OPEX analysis, cash flows, return on investment, outlining different scenarios depending on lending conditions if relevant for the NSP's financial mechanism, and (2) provide a business case for the entire NSP featuring the allocation of funds to sub-projects, NSP-level cash flows, rate of repayments, etc. Please make sure to explain in the NSP Outline and Annex 5a, how the remaining funding will be phased-out / further used at the end of the NSP lifetime.

VIII. Detailed Preparation Phase (DPP)

IX. Contracting

CN V-07 Is there a specific limit on administration (overhead) costs and if not, how will it be assessed whether the costs proposed by the NSP are reasonable?

Up to a certain percentage that cannot be communicated publicly, the NAMA Facility Grant Agent (NFGA) accepts administration costs by default. If an Applicant / ASP requests a higher percentage, the NFGA uses its internal guidelines to assess the appropriateness of these costs. This is done on a case-by-case basis. As part of the finalisation of the DPP concept that takes place before the conclusion of a funding agreement, amendments to the budget might be necessary and will be negotiated with the Applicant / ASP.

Last but not least...

Couldn't find an answer to your question?

In line with our clarification policy for Ambition Initiative – Round Two, 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 20 April 2022 – be sure to submit your question to the NAMA Facility by 17 April 2022 to ensure that your clarification is included.