Introduction to the Ambition Initiative – Round Two

NAMA Facility Webinar
15 December 2021
Before We Start...

- Take a minute to take a survey and answer a few questions
- For that, follow the link published in Q&A, or insert the following URL in the browser’s address panel:

  https://bit.ly/3m1EsnB
Welcome to this Webinar

- Thank you for your interest in the Ambition Initiative – Round Two of the NAMA Facility!

- **Goals for today:**
  
  - Provide an overview of the NAMA Facility and of the Ambition Initiative – Round Two
  - Elaborate on the eligibility criteria of the Ambition Initiative – Round Two
  - Answer your questions and point to useful resources
Structure of the Webinar

1. Technical overview
2. NAMA Facility and Ambition Initiative – Round Two
3. Eligibility criteria: Focusing on NDCs
4. Q&A
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Technical Overview

- Welcome to Microsoft Teams Live Events
- Control panel in the top right corner of your screen:
  1. You are muted automatically
  2. Submit your questions to the moderator
Structure of the Webinar

1. Technical overview
2. **NAMA Facility and Ambition Initiative – Round Two**
3. Eligibility criteria: Focusing on NDCs
4. Q&A
Multi-Donor fund by
- Germany
- UK
- Denmark
- EU
- Children’s Investment Fund Foundation (CIFF)

Created in: 2013
Total funding volume: EUR 667m
Calls for Projects: 9 Calls (incl. Ambition Initiative Round One and Two)
Current portfolio: 43 NSPs
- 28 countries
- Across sectors: transport, energy efficiency, renewable energy, forestry, waste, agriculture
Ambition Initiative 2.0

On 9 November 2021 at a COP26 side event, Germany, the UK and CIFF announced another Call for Projects: **Ambition Initiative – Round Two**

- Eligibility and assessment criteria remain the same as for Ambition Initiative (Round One), i.e. to support the ODA-eligible countries:
  - In the implementation of enhanced ambitious Nationally Determined Contributions (NDCs);
  - In the alignment of these efforts with the national green recovery agendas;
  - In the alignment of these efforts with NDC Partnership Plans.

- Up to **EUR 100 million** committed to support climate action
Key Features of Ambition Initiative 2.0

- **Emphasis on enhanced & ambitious NDCs**
- **Focus on green recovery from Covid-19 pandemic**
- **Piloting modality for novel technologies**
- **Higher upper funding volume of EUR 25m per NSP**
- **Commercial entities permitted as Applicants, ASPs, NSOs**
- **Emphasis on global cooperation (NDC Partnership)**
Who Can Submit an NSP Outline & Proposal?

Who can act as an Applicant Support Partner?

- National Ministry (‘Applicant’)
  - Should suggest a legal entity as ‘Applicant Support Partner’ for the DPP
- Legal entity (‘Applicant’)
  - Must demonstrate the endorsement of Ministries

Development banks, NGOs and IGOs, development agencies, public agencies, commercial organisations, etc.

Section 3.4, 5.1.1, 5.2.2 and Annex 2 (GID)
Ambition Initiative 2.0 – Process & Timeline

9 November 2021 – 30 April 2022

Submission deadline: 30 April 2022, 3 pm CEST

May – October 2022

Board Decision
Selection of NSPs for implementation

Approx. four months

M&E and Lessons Learned

November 2021

3 – 5.5 years

Implementation (grant contract with NSO)

Funding Decision

Call

Outlines (submitted by Applicants)

Assessment of Outlines

October 2022

10 or 15 months

Board Decision
Selection of NSPs for DPP

DPP (grant contract with Applicant or Applicant Support Partner)

Proposal (submitted by NSO)

Assessment of Proposals

End of month 10 or 15

TSU and/or External Evaluators/Assessors

Applicants / NSOs

Section 4.2(GID)
Ambition Initiative 2.0 - Characteristics of NSPs

- Engage in the sectors explicitly included in the NDCs, support NDC Partnership Plans (if these exist)
- Contribute to the national Covid-19 recovery strategies
- Support enhanced and ambitious NDCs
- Combine TC (policies, regulations, capacity building) and FC (financial mechanism)
- Have a phase out-strategy for a long-term sustainability
- Trigger transformational change
- Implementation ready

Characteristics of NSPs

Section 4.1(GID)
Ambition Initiative 2.0 – Application Documents

- Roughly 20 pages / 11,000 words maximum in total
- Specific aspects for the Ambition Initiative (Round One and Two):
  - Data on submission of first updated / second NDCs
  - Emphasis on embeddedness in NDCs, climate policies & NDC Partnership Plans (if these exist)
  - Section on a national Covid-19 pandemic context and green recovery strategy

NSP Outline Template

Mandatory Annexes

1. Endorsement letters
2. Logframe
3. Applicant / ASP
4. DPP concept (4a) & budget (4b)
5. Financial mechanism (5a) and business model (5b)
6. GHG mitigation potential

Do’s and don’ts before you submit your NSP Outline
Ambition Initiative 2.0 – Assessment Criteria

1. Eligibility Check
Ambition Initiative 2.0 – Assessment Criteria

1. Eligibility Check

2. Outline Assessment

Ambition (25 points)
- Potential for transformational change (11 points)
- Financial ambition (6 points)
- Mitigation potential (8 points)
- Project rationale (10 points)
- Project design (13 points)
- DPP concept (2 points)

Feasibility (25 points)

Section 5.1.3 (GID)
General Information Document (GID)

Available in:
- English
- Spanish
- French

Coming soon (20 Dec 2021):
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Ambition Initiative 2.0 – Eligibility of NSPs

- Timely submission by the closure of the Ambition Initiative – Round Two on 30 April 2022, 3 pm CEST

- Updated NDC of the country in which the NSP will be implemented is presented to UNFCCC by the end of COP26 and meets the definition of an ambitious and enhanced NDC as specified in GID

- Funding volume in the range of EUR 5-25 million excluding DPP funding

- Envisaged DPP duration of either 10 or 15 months

The list is not exhaustive!

Please consult GID section 5.1.3 for the FULL LIST of eligibility criteria
For an NDC to be considered as “ambitious” according to the NAMA Facility’s definition, the NDC should meet several or all of the criteria:

- Compatibility with the globally agreed temperature limit under the Paris Agreement; and/or

  - Mitigation target that:
    - Implies a significant reduction of economy-wide GHG emissions below business-as-usual emissions trajectories; and/or
    - Includes a rapid reduction of GHG in key emitting sectors with a view to achieving decarbonization; and/or
    - Implies an early peaking of GHG emissions and rapid decarbonization thereafter; and/or
    - Is aligned with an existing net-zero target.
Enhanced NDCs – GID’s Wording

According to the definition as used for the purposes of the Ambition Initiative – Round Two, “enhanced” NDCs are characterized by:

- Strengthening mitigation targets and actions over time;
- Strengthening emissions reduction goals (including the addition of sector-specific targets);
- Broadening the scope to include a wider coverage of sectors or gases; or by
- Moving from conditional to unconditional targets, shortening timelines and/or adding policies and measures.
Ambitious & Enhanced NDCs – Fictional Example

- Welcome to Totinia!
- Ratified the Paris Agreement in 2016
- Submitted a first NDC to the UNFCCC in February 2017
- Submitted an update of this first NDC in October 2021
## Ambitious & Enhanced NDCs – Fictional Example

| Totinia’s first NDC submission  
  (February 2017) | Totinia’s updated NDC submission  
  (October 2021) |
### Ambitious & Enhanced NDCs – Fictional Example

<table>
<thead>
<tr>
<th>GHG emissions reduction targets*</th>
<th>Totinía’s first NDC submission (February 2017)</th>
<th>Totinía’s updated NDC submission (October 2021)</th>
<th>Meets an ambition sub-criterion</th>
<th>Meets an enhancement sub-criterion</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 % unconditional target</td>
<td>25 % unconditional target</td>
<td></td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>10 % conditional target</td>
<td>30 % conditional target</td>
<td></td>
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*Target year and baseline year kept constant (2030 and 2010 respectively).
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<td>Sectoral breakdown of mitigation target</td>
<td>No sectoral breakdown, only an economy-wide target</td>
<td>50 % Energy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10 % AFOLU</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30 % Waste</td>
</tr>
<tr>
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<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Broadening the scope of the NDC (gases and sectors considered)</td>
<td>CO₂, CH₄ and N₂O gases are considered</td>
<td>No additional gases or sectors considered in the updated NDC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>❌</td>
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Q1: It is stated in the General Information Document (GID), that in order to be eligible under the Ambition Initiative – Round Two, countries have to submit their first updated or second NDCs to UNFCCC by the end of COP26. Which date exactly would that be?
Q&A (1)

Q1: It is stated in the General Information Document (GID), that in order to be eligible under the Ambition Initiative – Round Two, countries have to submit their first updated or second NDCs to UNFCCC by the end of COP26. Which date exactly would that be?

A: 13 November 2021
**Q&A (1)**

**Q1:** It is stated in the General Information Document (GID), that in order to be eligible under the Ambition Initiative – Round Two, countries have to submit their first updated or second NDCs to UNFCCC by the end of COP26. Which date exactly would that be?

**A:** 13 November 2021

**Q2:** Will a first updated NDC envisioning a country's participation in internationally transferred mitigation outcomes (ITMO, Article 6 of the Paris Agreement) score in terms of "ambitious NDCs" according to the NAMA Facility’s definition of enhanced and ambitious NDCs?
Q&A (1)

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A: 13 November 2021

Q2: Will a first updated NDC envisioning a country's participation in internationally transferred mitigation outcomes (ITMO, Article 6 of the Paris Agreement) score in terms of "ambitious NDCs" according to the NAMA Facility's definition of enhanced and ambitious NDCs?

A: No. ITMOs are rather a tool towards increased NDC's ambition.
Q&A (2)

Q3: Is there a minimum contribution expected from national implementing partners or the NSO?
Q&A (2)

Q3: Is there a minimum contribution expected from national implementing partners or the NSO?

A: No. The NAMA Facility does not set a minimum contribution, but an NSP’s leverage potential is important. Based on previous Calls, the average leverage potential of selected NSPs was 1:7.
Q&A (2)

Q3: Is there a minimum contribution expected from national implementing partners or the NSO?

A: No. The NAMA Facility does not set a minimum contribution, but an NSP’s leverage potential is important. Based on previous Calls, the average leverage potential of selected NSPs was 1:7.

Q4: Are proposals on policy research for low-carbon development eligible, given that this might be relevant for many countries?
Q&A (2)

Q3: Is there a minimum contribution expected from national implementing partners or the NSO?

A: No. The NAMA Facility does not set a minimum contribution, but an NSP’s leverage potential is important. Based on previous Calls, the average leverage potential of selected NSPs was 1:7.

Q4: Are proposals on policy research for low-carbon development eligible, given that this might be relevant for many countries?

A: No. Policy research projects and other research projects are not eligible for funding, but Ambition Initiative – Round Two has a strengthened emphasis on innovation and considers NSP Outlines that require a small sized pilot for novel technologies before moving into a larger scale project.
Q&A (3)

Q5: Is there an option to receive the NAMA Facility’s feedback on a project idea before officially submitting the Outline?
**Q&A (3)**

**Q5:** Is there an option to receive the NAMA Facility’s feedback on a project idea before officially submitting the Outline?

**A:** **No, this is not possible.** In line with the NAMA Facility’s policy on clarifications, the TSU does not provide any individual advice on project concepts to ensure a transparent and fair competition among all applicants.
Highlighted Resources from the NAMA Facility Website

Central Documents

- Application Documents & Ambition Initiative – Round Two General Information Document
- M&E Framework

Further Information

- Ambition Initiative – Round Two Clarifications and FAQ
- Transformational Change Working Definition
- Sustainable Development Co-benefits in the NAMA Facility
- 10 Things about the NAMA Facility You Always Wanted to Know – but Never Dared to Ask!
- Do’s and Don’ts Before You Submit Your NSP Outline
- Fictional NSP Outline “Towards Carbon-Neutral Totinia Now!”

Webinars

- 7th Call NSP Outline Development
- NAMA Facility Podcast: Introduction to Annex 6 – GHG Mitigation Potential
- Financial Mechanisms and the NAMA Support Project
- NAMA Facility Podcast: Introduction to Annex 5a – Financial Mechanism
What’s Next?

**Upcoming webinars:**

- **16 February 2022:** “NSP Outline Development: Practical Examples”
- **23 March 2022:** “Clarification and FAQs”

**Upcoming clarifications:**

- 20 December 2021
- 2 & 23 February 2022
- 16 & 30 March 2022
- 20 April 2022

- NAMA Facility website: dedicated page for the Ambition Initiative – Round Two

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

Please remember that the deadline for submitting NSP Outlines under the Ambition Initiative – Round Two is 30 April 2022, 3pm (CEST)