

# Ambition Initiative Call for NAMA Support Projects

## Frequently Asked Questions (FAQ) and Clarification Notes V

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## Abbreviations

AFOLU	Agriculture, Forestry and Other Land Use
CN	Clarification Note
DPP	Detailed Preparation Phase
FAQ	Frequently Asked Questions (a NAMA Facility document)
GID	General Information Document (a NAMA Facility document)
NAMA	Nationally Appropriate Mitigation Action
NSO	NAMA Support Organisation
NSP	NAMA Support Project
TSU	Technical Support Unit

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## I. Selection Criteria

### **CN V-01 For an NSP to have reasonable success chances: What level of readiness is expected by the NAMA Facility?**

For an NSP to have reasonable success chances it should be “implementation ready”. For more information on how the NAMA Facility defines the term “implementation ready”, please refer to CN II-10.

## II. Eligibility of Sectors and Technologies

### **CN V-02 For an NSP targeting the forestry sector: A) Would the NAMA Facility consider funding sustainable commercial reforestation? B) Would it be eligible to utilize the wood, that initially counted as mitigation, as an income source for the local population?**

Generally, the NAMA Facility very much welcomes NSP outlines proposing reforestation activities. A) If commercial reforestation activities are managed sustainably, and the NSP activities can be categorized as for the public benefit, these activities could be eligible for NAMA Facility funding. It will be essential that social, environmental and governance safeguards are addressed. B) If an NSP can showcase that the calculated mitigation potential and the implementation of the commercially used reforestation site can be monitored successfully, while avoiding leakage and keeping the net mitigation positive, such activities could be eligible. Generally, it needs to be kept in mind that the NAMA Facility’s focus lies on mitigation activities, i.e. the NSP needs to demonstrate how mitigation will be achieved beyond the NSP implementation.

## III. Eligible Support Instruments in NSPs

### **CN V-03 Is it eligible for an NSP in the forestry sector to generate carbon credits or other emissions credits?**

Generally, the NAMA Facility funding may be used for the generation of emission reduction certificates for the voluntary market (VER) insofar as they are of good quality, verifiable and demonstrably used to ensure the sustainable funding of climate protection projects in the fields of agriculture, forestry or land use.

However, in order to ensure the additionality of greenhouse gas reductions and of the Donors’ contribution to international climate finance, no emissions certificates or other emissions credits (such as CERs or VERs) generated by NSPs may be traded on the market either during or after the NSP term. Certificates generated with the support from the NAMA Facility must be permanently cancelled.

### **CN V-04 Where can we find examples for business cases in the AFOLU sector?**

The NAMA Facility does not provide sector-specific examples for business cases. General information on business cases and financial support mechanisms is provided in the [webinar](#) "Financial Mechanisms and the NAMA Support Project" and the [publication](#) "Financial Mechanisms in the NAMA Facility".

### **CN V-05 In the NAMA Facility Webinar - Ambition Initiative Call - Clarifications and FAQs you talked about the fictional NSP Outline of Totinia and mentioned another Donor’s contribution to the NSP: A) Did this include the other Donor’s contribution to international cooperation? B) Would these funds be considered as funds mobilized by the NSP, i.e. a contribution to the NSP’s leverage?**

A) In the example of Totinia, the Donor contribution refers to the investment into a hydro power pumping scheme that will be based on a contribution by the Pink Climate Fund, i.e. another climate fund that is not the NAMA Facility. B) In the example of Totinia, the Donor contribution by the Pink

Climate Fund was considered as leveraged funds. The reason being the following: “As the Pink Climate Fund is requiring a contribution by other funders to establish the underwater electricity connection [...] and the government of Totinia has only been able to earmark funding of EUR 13 m., the grant of the NAMA Facility to fill the remaining gap of EUR 7 m. is crucial to ensure the realization of this project” (Totinia Outline). Generally, the NAMA Facility defines “leveraged investment” as additional funds that will become available for investments in the NSP, that would not be spent on the same purpose in the absence of an NSP.

As emphasized in the webinar, the example of Totinia is fictional and for illustrative purposes only.

#### **IV. Submission of the NSP Outline and Annexes**

##### **CN V-06 Can you please provide more information on the application process?**

For more information on the application process, please refer to the GID, section 5 NSP Selection Process.

##### **CN V-07 Is there an option to receive the NAMA Facility’s feedback on a project idea before officially submitting the Outline?**

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.

Please make use of our webinars to participate in further exchanges or use the opportunity to lodge clarification requests should you have general questions pertaining to the GID and/or application documents.

#### **V. Detailed Preparation Phase (DPP)**

##### **CN V-08 What is the difference between the DPP and the NSP implementation?**

In short, the DPP of either 10 or 15 months, has the ultimate purpose of preparing a comprehensive Proposal for the NSP implementation, whereas the implementation of up to 5.5 years is the time in which the Outcomes and Outputs of the NSP will actually need to be achieved, and the planned activities implemented.

More information can be found in the GID, section 5.2 NSP Detailed Preparation Phase / Proposal Phase and section 6 NSP Implementation.

#### **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](mailto: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 19 May 2021 – be sure to submit your question to the NAMA Facility by 17 May 2021 to ensure that your clarification is included.