LOW EMISSION
CAPACITY BUILDING
PROGRAMME

Overview

With the expiration of the Kyoto Protocol's first commitment period in 2012, where developed countries were obligated to reduce greenhouse gas (GHG) emissions via legally binding commitments, attention has focused increasing on alternative emissions reduction strategies. The NAMA (Nationally Appropriate Mitigation Action) concept arose during negotiations under the United Nations Framework Convention on Climate Change (UNFCCC) to identify voluntary, country-led mitigation actions, and it bears important differences from Kyoto Protocol instruments.

Notably, NAMAs are not imposed under a strict framework, but rather, the focus is on initiatives tailored to meet host country needs and that instill transformational change. NAMAs can vary considerably in terms of size, technology, benefits rendered, and geography. They are driven by the leadership of host country governments, require government approval, and should be aligned with national development plans and goals (i.e., 'nationally appropriate'). Low emission development strategies or LEDS provide the framework to facilitate NAMA development.

Depending on the prerogative and priorities of host countries, NAMAs can be implemented at the project or policy level, range from sweeping, multi-sectoral strategies to individual pilot projects, and can be supported with domestic and/or international funding. NAMAs do however share a common objective: to overcome barriers to reduce GHG emissions.

At COP16 in Cancun, governments agreed to establish a Registry to record NAMAs, facilitate the matching of finance, technology, and capacity-building support, to share knowledge, and recognize accomplishments. In addition to the UNFCCC Registry, UNEP-Risoe and Ecofys also established registries. As of end+150 ,2013-NAMAs have posted to the registries.

Emissions Reduction Barriers

Barriers that NAMAs seek to address can be political, institutional, legal, regulatory, financial, technical, and/or cultural, many of which translate into higher project costs and increased actual and perceived risk. NAMA initiatives can be: non-market based (public tendering, grants, loan guarantees); market-based (e.g., renewable energy certificates, green labeling); non-monetary such as energy efficiency building code regulations or guaranteeing grid access to independent power producers; or a combination of these. Mechanisms can range in type from broad policy targets such as renewable portfolio standards, to awareness raising campaigns, capacity building, and support for green technology infrastructure.

Securing finance to design and implement NAMAs is a primary goal and possible barrier to overcome because global mechanisms to facilitate NAMA finance as yet do not exist. In addition to private investment, other potential sources of funding include bi-lateral agreements (e.g., NAMA Facility), development banks, and multilateral funds (e.g., Green Climate Fund). Domestic sources of finance are recommended to leverage private and donor finance.

Setting up NAMAs

The NAMA project cycle generally consists of three stages: (i) conception, (ii) implementation, and (iii) operation. The bulk of planning occurs during conception, and includes outlining envisaged activities, financing requirements, benefits, monitoring and reporting requirements, and key stakeholder engagement. The implement-ation stage sets up the core foundation (including a legal framework, capacity building, implementation strategy development, and scheduling); and the www.lowemissiondevelopment.org

NAMA roll-out, including monitoring achievements, occurs during the operation stage. Although experience with NAMA development will not be advanced in host countries due to its newness, most NAMAs arise from existing policies or processes at the national, sectoral, or local level so relatively few begin as new initiatives.

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Successful NAMAs require strong host country commitment and domestic ownership to ensure continued flow of support, resources, and engagement. NAMA criteria that are typically more likely to attract this type of support include: job creation, bankability, GHG mitigation, co-benefits, and transformative nature (e.g., permanence of the proposed change, raising consumer awareness). The host country NAMA prioritization process should include consideration of these and other criteria, as well as alignment with national development plans and strategies.

Conclusions

Although NAMAs do not represent a legal obligation under the UNFCCC, NAMAs are vehicles to enable developing countries to tap into climate finance. In light of this potential, as of end2013-, over 150 NAMAs have been posted on UNFCCC, UNEP-Risoe, and Ecofys registries. NAMAs are particularly attractive options for developing countries as they offer the capability of addressing both climate change and national development strategies in a process that is country-driven while attracting climate finance.

Useful tools and resources

- UNDP/UNEP/UNFCCC 2013: Guidance for NAMA Design: Building on Country Experiences
- 2013 : Developing Financeable NAMAs: A Practitioners Guide, International Institute for Sustainable Development
- GIZ 2013: NAMA Tool: Steps for Moving a NAMA from Idea towards Implementation
- UNDP 2009: Nationally Appropriate Mitigation Actions: Key Issues for Consideration
- GIZ 2012: Nationally Appropriate Mitigation Actions - A Technical Assistance Sourcebook for Practitioners

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