



Nationally Appropriate Mitigation Action (NAMA)

“Developing country parties will take nationally appropriate mitigation actions in the context of sustainable development, supported and enabled by technology, financing and capacity-building, aimed at achieving a deviation in emissions relative to ‘business as usual’ emissions in 2020.”

Cancun Agreement, December 2010
UN Framework Convention on Climate Change

NAMAs and the U.N. Climate Negotiations

During the climate negotiations in Cancun, parties agreed that developing countries will take nationally appropriate mitigation actions or NAMAs to reduce their GHG emissions.

The Cancun Agreement:

- » does not legally bind any developing country to reduce emissions;
- » does not define what a NAMA can or cannot be;
- » does not specify how much the avoided emissions or the emissions reductions should deviate from ‘business as usual’ by 2020.

Despite the nebulous nature of the NAMA, the Cancun Agreements set off a flurry of activities in many developing countries, as parties have begun to explore ways to leverage NAMAs to gain international support and/or recognition for low-emission development at home.

Initial submissions made by developing country parties on their proposed actions to reduce GHG emissions reveal a broad spectrum of approaches and activities that can be categorized as NAMAs (UNFCCC 2011).

In Durban, parties agreed to develop a prototype for a **NAMA Registry**. The Registry will be a web-based platform and central database of all NAMAs seeking international support, information about available support and support provided.

NAMAs and CDM

Efforts to reduce emissions in developing countries are not a new phenomenon. The **Clean Development Mechanism (CDM)** has been used in many developing countries for over a decade to reduce greenhouse gas emissions through project-based approaches aimed at introducing clean technologies, including renewable energies, and improving efficiency in a variety of greenhouse-gas emitting processes.

In contrast to the CDM, NAMAs need not be project-based. NAMAs do not necessarily address point-sources of emissions or result in the issuance of carbon credits to be bought and sold in the carbon market. A **NAMA is simply any action that ultimately contributes to greenhouse gas emission reductions** while addressing the development needs of a country. While a NAMA may encompass a specific project or measure to reduce emissions in the short-term, it may also encompass policies, strategies and research programs that lead to emissions reductions in the long-term.

Pathways towards emissions reductions: excerpts from two NAMA submissions to the UNFCCC

Indonesia

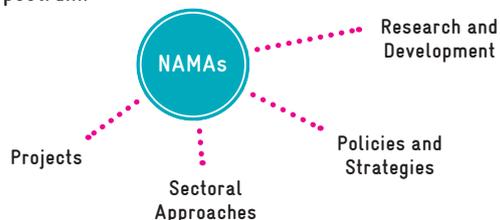
- » Target 26% GHG reduction by 2020
- » Sustainable peat land management;
- » Reduced deforestation and land degradation;
- » Carbon sequestration projects in forestry and agriculture;
- » ...

Peru

- » Zero net deforestation of primary or natural forests;
- » Modification of current energy grid for 33% renewable energy mix by 2020;
- » Design and implementation of solid waste management measures.



NAMA Spectrum:



With regard to **financing** mitigation actions, national governments, as opposed to the private sector in the case of CDM, are likely to initiate NAMAs, and the financing for the development and implementation of NAMAs will likely come from domestic resources, as well as through bi-lateral agreements, development banks or multilateral funds, including the Green Climate Fund. Public finance will need to be used strategically to leverage investment from the private sector.

The open and flexible nature of the NAMA has given rise to **three finance-sourcing typologies**, which are outlined below, including the expectations for monitoring, reporting and verifying (MRV) the results of the NAMA:

Unilateral	Supported	Credited
<ul style="list-style-type: none"> » To be financed domestically » Domestic MRV in accordance with guidelines developed under the climate convention. 	<ul style="list-style-type: none"> » To receive international support (finance, technology and/or capacity building) » MRV according to international guidelines developed under the climate convention. 	<ul style="list-style-type: none"> » To receive private sector funding that results in carbon credits » MRV likely to draw upon experience with CDM.

What is the potential of NAMAs?

While the CDM expects to reduce 5,771 Mt CO₂eq (2013-2020) (CDM Pipeline 2011), NAMAs aim to achieve the recommendation set forth by the IPCC to reduce GHG emissions by 15-30% from BAU by 2020. Such a reduction would result in more than 40,000 Mt CO₂eq being avoided or removed by 2020 (cp. GIZ TRANSfer 2011).

Potential sectors with high mitigation potential are **energy, transport, buildings, industry, forests, agriculture, and waste** (IPCC 2007).

How to get started on NAMA development:

Despite the uncertainties surrounding the scope and definition of NAMAs, a few key features for the formulation of good NAMAs are suggested below:

Success Factors: Does the NAMA proposal ...

- ... emerge from a country-driven, participatory and bottom-up stakeholder process?
- ... fit into existing LEDES or national development and/or climate strategies?
- ... reduce GHGs in the short or long-term?
- ... suggest tools for different types of interventions, e.g. legal/policy frameworks, regulatory, economic incentives, technology assessments?
- ... articulate the financing, technology and capacity building support needs?
- ... include a proposed MRV framework?
- ... leverage private investments?
- ... have sustainable development benefits, e.g. contribute to MDGs or pro-growth-goals?
- ... include a detailed plan for implementation?

Examples of NAMA development underway:

- **Mexico:** building, transport and SME-sectors
- **Indonesia:** peat land, forests, agriculture, energy efficiency, renewable energies, waste, transport sectors
- **Tunisia:** solar plan & public waste management
- **Chile:** transport sector

How GIZ, on behalf of the federal ministries BMZ and BMU, supports NAMA development:

- **Institutional Support:** establishment of NAMA offices (e.g. Mexico, Indonesia)
- **Capacity Building:** NAMA training
- **Strategy and Analysis:** developing LEDES, cost-benefit analyses and market research
- **Information Management and Networking:** data gathering, baseline setting; organisation of participatory processes and dialogues; facilitation of info sharing, lessons learned; peer-to-peer learning; networking.

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UNEP Risø 2011: CDM/JI Pipeline – CERs.
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