

HISTORY OF NEGOTIATIONS

The concept of Nationally-Appropriate Mitigation Actions (NAMAs) emerged as part of the Bali Road Map that was agreed at the United Nations Climate Change Conference in Bali in December 2007. NAMAs were meant to acknowledge mitigation efforts undertaken by developing countries and create a platform to support these actions.

During COP 16 in Cancún, developing countries agreed to strengthen the reporting of, and to accept “international consultation and analysis”(ICA) on their mitigation actions. It was further agreed that NAMAs receiving international support would be subject to an international measurement, reporting and verification (MRV) system in line with the Convention guidelines¹. COP 16 (Cancún) established the principle of a registry gathering information on supported NAMAs and NAMAs seeking international support. Unilateral NAMAs would also be integrated on a voluntary basis.

As part of the package of decisions made under the AWG-LCA at COP17 in Durban in 2011, key decisions regarding NAMAs by developing countries were taken:

- **Biennial update reports (BURs):** COP 17 adopted the guidelines for preparation of BURs and affirmed that the guidelines shall respect the diversity of mitigation actions and provide flexibility to Non-Annex I Parties in the provision of information. Developed countries were asked to provide support for the preparation of BURs which will be fully financed through the Global Environmental Facility (GEF) and the Green Climate Fund (GCF).
- **NAMA registry:** COP 17 provided further clarification as regards the nature and functionality of the registry. The registry should be used as information sharing website that facilitates matching of actions seeking international support with support available by providing direct information to Parties.
- **International consultation and analysis (ICA):** COP 17 adopted the modalities and guidelines for ICA, noting that the ICA of the BUR is non-intrusive, non-punitive and respectful of national sovereignty, and aims at increasing transparency of mitigation actions.

It is important to note that provision of support to developing countries is addressed as a cross-cutting issue in all the components of the decisions on NAMAs.

Current state of development

According to the NAMA database², there are 59 NAMAs and 34 feasibility studies currently under development in 34 countries. Among them, information on 25 NAMAs was sent to the UNFCCC to be

¹ Also, large emitting countries committed to produce national communications and inventories at least every four years and produce biennial update reports (BURs) on their GHG emissions. The Subsidiary Body for Implementation (SBI) is made responsible for the international consultations and analysis of BURs, “*in a manner that is non-intrusive, non-punitive and respectful of national sovereignty.*”

² Accessed on 22 May 2013. The NAMA database is a public database on NAMAs’ developments worldwide which is provided by Ecofys and can be accessed at <http://www.nama-database.org/>

filled in the NAMA registry – 6 of them seeking support for preparation, 15 seeking support for implementation and 4 for recognition only³.

Regarding ASEAN countries, 9 NAMAs are under development according to the NAMA database. One NAMA has been submitted on the NAMA registry by Indonesia on its Sustainable Urban Transport Initiative⁴.

KEY ISSUES

Understanding NAMAs

Due to the great diversity of NAMAs, a number of countries have suggested to develop a uniform and common framework for reporting information, whereas other Parties are of the view that NAMAs are country-driven, diverse and must respect national circumstances. They believe that standardization of NAMAs will remove the flexibility on designing NAMAs as per country circumstances.

Also, many Parties have mentioned that further information on NAMAs would be provided through BURs and National Communications (NCs). These issues have not been dealt directly in the negotiations but through a series of workshops that have been organized since Cancún.

In Doha, COP 18 decided to establish a two-year work programme to further the understanding of the diversity of NAMAs under the Subsidiary Body for Implementation, with a view to facilitating the preparation and implementation of those nationally appropriate mitigation actions, including:

- Information relating to NAMAs, including underlying assumptions and methodologies, sectors and gases covered, global warming potential values used and estimated mitigation outcomes;
- Financial, technology and capacity-building support for the preparation and implementation of specific measurable, reportable and verifiable NAMAs, as well as support available and provided, access modalities and related experience gained;
- The extent of the matching of mitigation actions with financial, technology and capacity building support under the registry.

The programme is intended to end in 2014, and should include focused interactive technical discussions, including through in-session workshops with input from experts and submissions from Parties and observer organizations.

Support to NAMAs

The main issue carried forward from Durban, and further discussed at Doha, was the NAMA registry. The registry is a web-based platform that will record information on NAMAs that are seeking

³ See for more information http://unfccc.int/cooperation_support/nama/items/6945.php

⁴ This programme promotes sustainable urban transport in Indonesian cities by implementing and monitoring measures in order to halt the increasing motorization and reduce externalities of transportation. The pilot phase will start with the implementation of low-carbon mobility plans in three cities (Medan, Manado, Batam) as well as supporting activities on national level that aim at up scaling the policies of the pilot phase to more Indonesian cities

international support or recognition. Proponents are asked to submit descriptive information on their NAMAs such as the sources of support, the sector, the type of activity to be financed, technology and capacity-building available, etc. All Parties agree to say that the Registry should be structured in a flexible manner to reflect the full range of diversity of NAMAs and types of support.

According to the UNFCCC information note on the registry⁵, in addition to its recording function, the registry will “automatically search for sources of support that could potentially aid in the preparation or implementation” of the selected NAMA. The usefulness of such a feature will nevertheless depend on the actual provision to the NAMA registry of the declaration of support by developed countries.

The second key issue resides in the lack of support to implement NAMAs in developing countries. The COP recognizes the need to support enabling activities to assist Non-Annex I Parties in the identification and preparation of NAMAs for submission to the registry and for implementation.

MRV of NAMAs

There are currently no international MRV guidelines for supported NAMAs. Actual practices are, therefore, likely to be agreed bilaterally by the host country and the funding institutions in accordance with their respective requirements. A number of Parties are of the view that the MRV framework need no further discussions and should be adopted as it is since the decisions at Cancún and Durban. Though, some Parties are of the view that a common accounting framework is needed for developing countries as well to account their national GHG emissions. Such a framework would enable a clear assessment of adequacy of efforts by all Parties to meet the 2 degrees goal adopted in the Cancún Agreement.

RECENT DEVELOPMENTS

COP 18 – Doha 2012

At Doha, developing countries were asked to submit NAMA projects in the registry and to inform the Secretariat of all on-going and forecasted actions. Submissions detailed the types of projects, covered sectors and performance assessments. Developed countries were asked to provide matching technical, financial support to help developing countries to implement their actions.

Various developing countries submitted a two-year work programme that aims at looking into the diversity of NAMAs to further understand them. Parties agreed upon the matching of financial and technical assistance required through the NAMA Registry. They requested the UNFCCC Secretariat to deploy the first release of the dynamic web-based registry at least two months before COP19 and that a first demonstration of the registry would be presented at the Bonn conference in June 2013. Furthermore, Parties agreed that the Registry will not be used as a tool for MRV of NAMAs.

The outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) regarding NAMAs by developing countries was the request for regional technical workshops to build capacity in the preparation, submission and implementation of NAMAs as well as in the formulation of low emission development strategies.

⁵ http://unfccc.int/files/adaptation/application/pdf/info_note_on_the_registry.pdf, paragraph 24

Discussion round on draft Guidelines for MRV

The Subsidiary Body for Scientific and Technological Advice (SBSTA) is conducting the preparation of general guidelines for domestic MRV for NAMAs. In Doha, after sessions of discussions among Parties, the Chair concluded that the guidelines should be *“general, voluntary, pragmatic, non prescriptive, non-intrusive and country driven, take into account national circumstances and national priorities, respect the diversity of nationally appropriate mitigation actions, build on existing domestic systems and capacities, recognize existing domestic measurement, reporting and verification systems and promote a cost-effective approach”*⁶.

The SBSTA invited Parties to submit to the Secretariat their views on the guidelines by 25 March 2013. All views were to be compiled by the secretariat. The resulting compilation report was published in May 2013⁷. In general, Parties emphasized the need for accurate and consistent data on GHG emissions, which can only be achieved by a robust policy tracking through collection of emission/removal data or performance metrics. Parties also presented ideas in terms of institutional structure, general procedures and methodology of MRV for NAMAs. The compilation report will serve as basis for the SBSTA to initiate the process of developing the guidelines at its thirty-eighth session in Bonn from 3 to 14 June 2013. Draft guidelines should be forwarded to the Conference of the Parties 19 in Warsaw at the end of 2013.

SOME VIEWS OF PARTIES

On the inclusion of NAMAs in the range of UNFCCC instruments and goals

In their submission of their views to the Secretariat regarding modalities and procedures for the new market-based mechanism⁸ (NMM), several countries mentioned possible relationships between supported NAMAs and NMM.

The EU mentioned “the New Market Mechanisms (NMM) would assist countries to implement their NAMAs by providing incentives to achieve emission reductions below the level of unilateral and supported NAMAs.” Also, Morocco echoed by stating that the *“NMM should be designed to contribute technically and financially to the implementation of NAMAs”* in recipient countries, mainly through the direct delivery of emission credits for the implementation of a mitigation policy instrument. Tunisia declared that the complementary relationship between supported NAMAs and NMMs should be clarified during the work programme. For example, it should be discussed whether a supported NAMA could cover the upfront costs of developing a NMM activity, and whether it could cover parts of the investment costs to achieve the net emissions reduction of a NMM activity. Furthermore, possibilities to create synergies between the MRV systems of NAMAs and the NMM should be explored.

Some Parties also called for capacity building support to developing countries. The Republic of Uzbekistan suggested the Secretariat to render consulting and technological support (international and regional workshops, web-based workshops, etc.) for strengthening the capacity of specialists in

⁶ <http://unfccc.int/resource/docs/2012/sbsta/eng/l24.pdf>

⁷ <http://unfccc.int/resource/docs/2013/sbsta/eng/misc07.pdf>

⁸ <http://unfccc.int/resource/docs/2013/sbsta/eng/misc09.pdf>

developing countries in working out NAMAs. The African group gave indication that future NAMAs will mainly concern agricultural sectors and mentioned its need for technology, capacity-building and finance development, to implement and monitor agricultural NAMAs.

On MRV

Parties were invited to submit their views on MRV guidelines by March 25. The Secretariat published a document⁹ that reproduces the six views submitted.

China and India in particular recalled that NAMA were voluntary in nature and their implementation and reporting will follow the UNFCCC rules and guidelines.

The EU stated that the general guidelines for domestic MRV of domestically supported actions are an important element to assist developing countries. They would contribute to the international recognition of their efforts with national mitigation actions, and improve the common understanding of the rich diversity of NAMAs. Experiences with creating, monitoring and reporting systems show that it is useful to follow a step-wise approach consisting of the following phases: decisions taken on what to monitor, how to collect and store data and information, and how to ensure quality.

The Umbrella Group countries (Canada, Japan, New Zealand, and the United States) further agreed that the MRV guidelines should be general, voluntary, pragmatic, non-prescriptive, non-intrusive and country-driven. They should take into account national circumstances and national priorities, respect the diversity of NAMAs, build on existing domestic systems and capacities, recognize existing domestic measurement, reporting and verification systems and promote a cost-effective approach.

The African Group welcomes the draft guidelines and asks for further consideration of the process. They state that general process for NAMA's MRV system should be made separately from REDD+ procedures.

IMPLICATIONS FOR DEVELOPING COUNTRIES

Developing countries will soon benefit from numerous initiatives that will provide support for designing and implementing nationally appropriate mitigation actions.

NAMA Facility

On 6 December, during the climate negotiations in Doha, Qatar, the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) and the Department of Energy and Climate Change (DECC) of the United Kingdom (UK) launched the "NAMA Facility" to support partner countries to implement ambitious action against climate change. UK and Germany will jointly provide about €70 million of funding. Germany's funding of €40 million is coming from the Special Energy and Climate Fund. The UK Government is supporting the Facility with £25 million from the International Climate Fund (ICF). The first project the facility intends to fund is a NAMA programme for sustainable new housing in Mexico.

⁹ <http://unfccc.int/resource/docs/2013/sbsta/eng/misc07.pdf>

NAMA Partnership

The NAMA Partnership¹⁰ is a group of multilateral organizations, bilateral cooperation agencies and think tanks that have gathered to work on NAMAs. The partnership was launched at Doha during COP18 and is coordinated by the UNFCCC Secretariat. It aims at enhancing collaboration among the different organizations to offer support to developing countries in the preparation and implementation of their NAMAs. A guidance document is being prepared by UNDP and UNEP under this forum to help provide some clarity to the NAMAs.

FIRM - Facilitating Implementation Readiness for Mitigation

UNEP is implementing the FIRM¹¹ (Facilitating Implementation Readiness for Mitigation) project that will strengthen national capacities of participating countries to formulate low carbon development strategies and identify mitigation opportunities within the context of national sustainable development priorities and the evolving concept of NAMAs.

Nordic Partnership Initiative

NEFCO is a founding partner in the Nordic Partnership Initiative, which seeks to road test NAMA concepts, build market readiness and contribute practical experience into the negotiation process as part of the Durban Platform roadmap. The initiative seeks to establish concrete cases to illustrate NAMAs supported and enabled by technology, financing and capacity-building. The aim of the initiative is to test and learn how a future market-based mechanism could be designed for providing support for up-scaled mitigation action. The Government of Vietnam has recently received a grant from the Nordic Development Fund to implement mitigation actions.

A number of other initiatives are underway to provide support to developing countries for developing NAMAs. In this context UNEP together with partners is developing an efficient lighting NAMA guidebook. Other bilateral entities beyond the aforementioned ones are also actively involved in this area of NAMAs support like the French Development Agency (AFD) or the Japan International Cooperation Agency (JICA)'s bilateral climate related aid.

NEXT STEPS**June 2013 - Bonn Climate Change Conference:**

- SBI :
 - Discussion on international consultations and analysis (ICA) process: Composition, modalities and procedures of the team of technical experts;
 - Work programme to further the understanding of the diversity of NAMAs;
 - 6 June (10am to 1pm): SBI Workshop on facilitating the preparation and implementation of NAMAs
- UNFCCC Event: Demonstration of the operational NAMA registry on 13 June during lunch break
- SBSTA:
 - Work programme on the revision of the guidelines for the review of BURs and NCs;

¹⁰ <http://www.namapartnership.org/>

¹¹ <http://www.lowcarbondev-support.org/>

- General guidelines for domestic measurement, reporting and verification of domestically supported, NAMAs by developing country Parties.

July 2013 - Asia and the Pacific regional workshop on promoting international collaboration to facilitate preparation, submission and implementation of NAMAs

10-13 September 2013 - LAC regional workshop on promoting international collaboration to facilitate preparation, submission and implementation of NAMAs - Mexico

September 2013: Launch of web-based NAMA Registry

REFERENCES

Note by the Subsidiary Body for Implementation:

- FCCC/SBI/2012/L.39 Prototype of the registry
<http://unfccc.int/resource/docs/2012/sbi/eng/l39.pdf>
- FCCC/SBI/2013/INF.12/Rev.1 - Compilation of information on nationally appropriate mitigation actions to be implemented by developing country Parties
<http://unfccc.int/resource/docs/2013/sbi/eng/inf12r01.pdf>

Note by the Subsidiary Body for Scientific and Technological Advice

- FCCC/SBSTA/2013/MISC.7 - Views on the general guidelines for domestic measurement, reporting and verification of domestically supported nationally appropriate mitigation actions by developing country Parties
<http://unfccc.int/resource/docs/2013/sbsta/eng/misc07.pdf>

Report of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention

- Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention
<http://unfccc.int/resource/docs/2012/cop18/eng/l14r01.pdf>