

State of NAMA development and insights from NAMA scoping in the MENA region

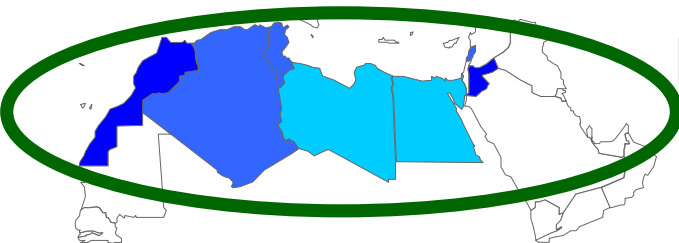
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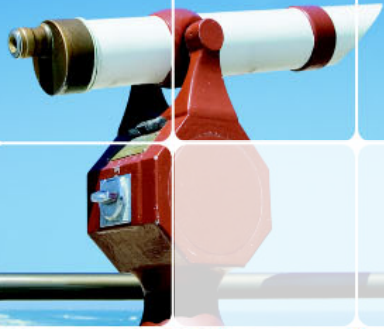
NAMA developments in the MENA Region

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Overview

- **Why are NAMAs relevant for the MENA region?**
- **From CDM to NAMAs**
- **MENA as world leader in NAMA development**
- **Using the Doha COP as catalyst to harness support**
- **NAMA options for GCC countries**
- **Conclusions**



Relevance of NAMAs

- **CDM** window of opportunity for MENA **de facto** closed
 - Pre-2013 registration required for export into EU
- NAMAs are a possibility for MENA to receive **support** for GHG mitigation activities **in line with national priorities**
- **Realistic** expectations are a must:
 - Large-scale financing for NAMAs has **not** materialised
 - Approaches are **similar to traditional development cooperation**, but with an anchoring under UNFCCC
 - **Crediting** of NAMAs needs to be **actively pushed** in the negotiations

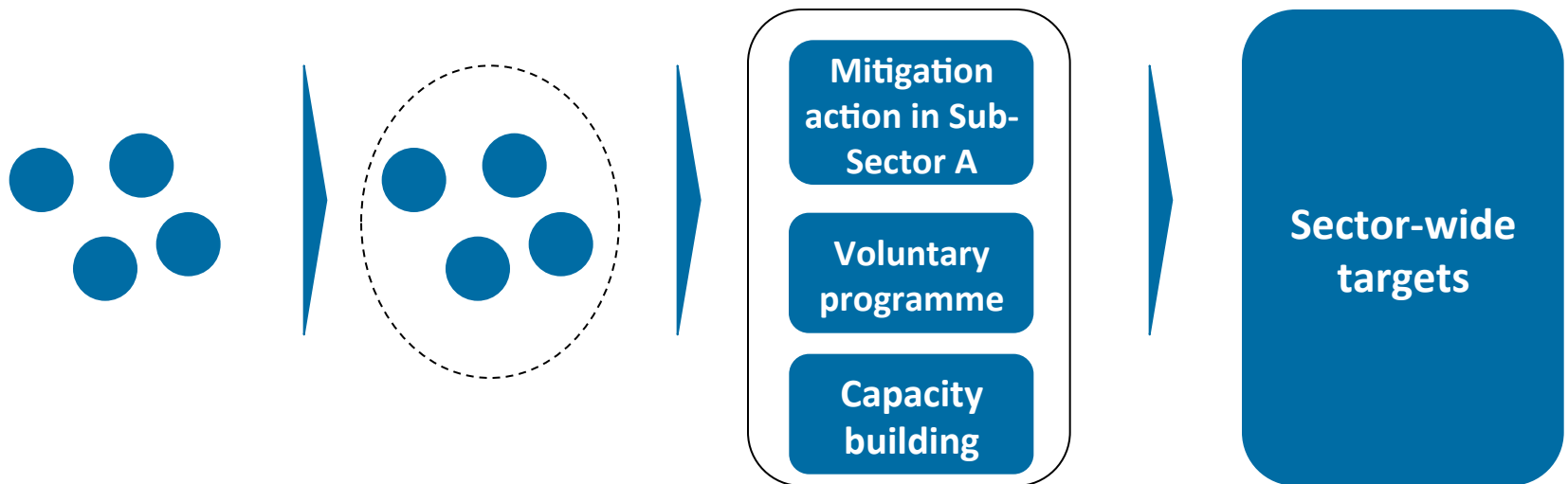
From CDM to NAMAs

**Single CDM
projects**

**CDM Programme
of Activities**

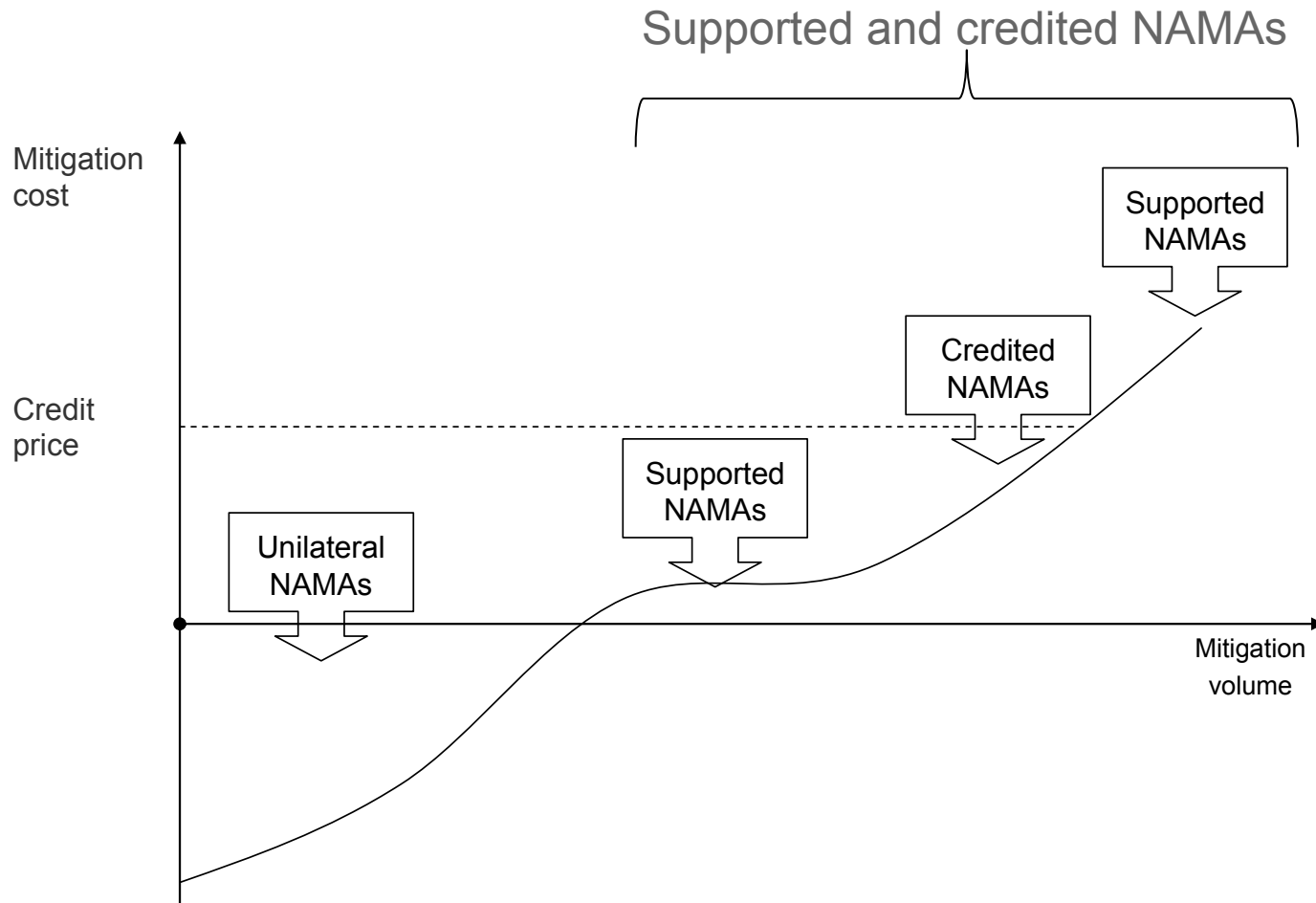
**Nationally Appropriate
Mitigation Action - NAMA**

**Sectoral
Mechanism**



Scale of mitigation financing

The three tiers of NAMAs





NAMA development

1. Identification
actions

2. Mitigation
potential
assessment

3. Investigation
of NAMA
requirements

4.
Identification
of actions and
selection

5. Formulation
of a concrete
NAMA

6. Outreach
and capacity
building

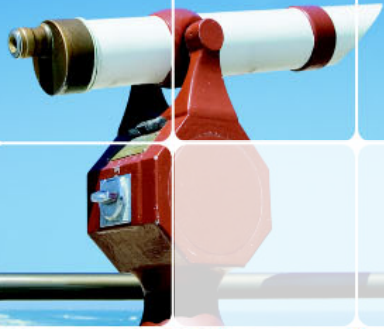
NAMA
Briefing Note

NAMA
Concept
Note

NAMA
Description
Document

NAMA
MRV
Report

NAMA documentation and information evolving over time



NAMA elements

- **Mitigation potential** (e.g. tCO₂e/a) and GHG impact (e.g. direct/indirect; short term/long term)
- **Scope, boundaries and links to other national strategies**
- **MRV and GHG calculation method** (quantitative vs. qualitative e.g. emission/baseline based, performance/process indicators)
- **Financing requirements** for supported NAMAs (e.g. on MRV, measurability)
- **Interaction** between different measures
- **Relation to carbon market** (e.g. double counting with CDM and other new market mechanisms), crediting or not?



NAMA evaluation criteria

Criteria	Explanation
GHG mitigation potential	“high” suggests emissions reductions > 500ktCO ₂ e pa
Low cost abatement	lower cost abatement activities are more likely to be implemented, - activities with negative costs (EE) will score particularly well
Ability to MRV actions	“easy” is if the NAMA approach can theoretically be based on an existing CDM methodology; more complex NAMAs involving many different actions will score lower
Links to national climate policy	“strong” links are considered to exist where the country has clearly articulated climate policies and the NAMA is linked to these (eg. stated in its submission in response to the Copenhagen Accords), as this suggests a higher chance of successful implementation
Sustainable development benefits	“strong” actions would reduce household fuel costs, or create local manufacturing opportunities for example, as these can improve the livelihood of citizens and would be more appealing to donors



NAMA identification

Assessment of NAMA ideas for RCREEE member countries		Assessment criteria				
		GHG mitigation potential	Cost – effectiveness of abatement	MRV of actions	Linked to national climate policies	Sustainable development benefits
Country	NAMA opportunity	+++ high potential	+++ low cost abatement	+++ MRV easy	+++ strong links to policy	+++ strong SD benefits
JORDAN	Wind energy development programme	+++	++	++	++	+
	Demand-Side Energy Efficiency for Water Pumping Stations	+	+++	+++	++	+
	City Wide mitigation programme of Greater Amman Municipality	+++	++	+	++	++
YEMEN	Energy Efficiency Labeling of Electronic Household Appliances	?	+++	++	??	+++
	Efficient lighting in public buildings	+	+++	++	??	??
SYRIA	Promotion of Solar Water Heating Systems	?	++	+++	++	++
	Energy efficiency building code	?	+++	?	++	+++
LEBANON	Comprehensive NAMA to reduce electricity grid intensity	+++	++	+++	+++	++
	Public transport development in greater Beirut	++	??	??	++	+++
LIBYA	Energy efficiency in residential building sector	++?	+++	+	?	+++
ALGERIA	Development of CSP plants for domestic supply and export	+++	+	++	++	?
	Residential buildings energy efficiency NAMA	++?	+++	++	++	+++
EGYPT	Renewable energy investment NAMA	+++	++	+++	+++	++
TUNISIA	Wind energy in the industrial sector	+	++	+++	+++	+
	Building sector roofing insulation	+++	+++	++	+++	+++
MOROCCO	Residential buildings Energy Efficiency NAMA	+++	+++	++	+++	+++
	Demand-Side Energy Efficiency Programme in the industrial sector	+++	+++	++	+++	++

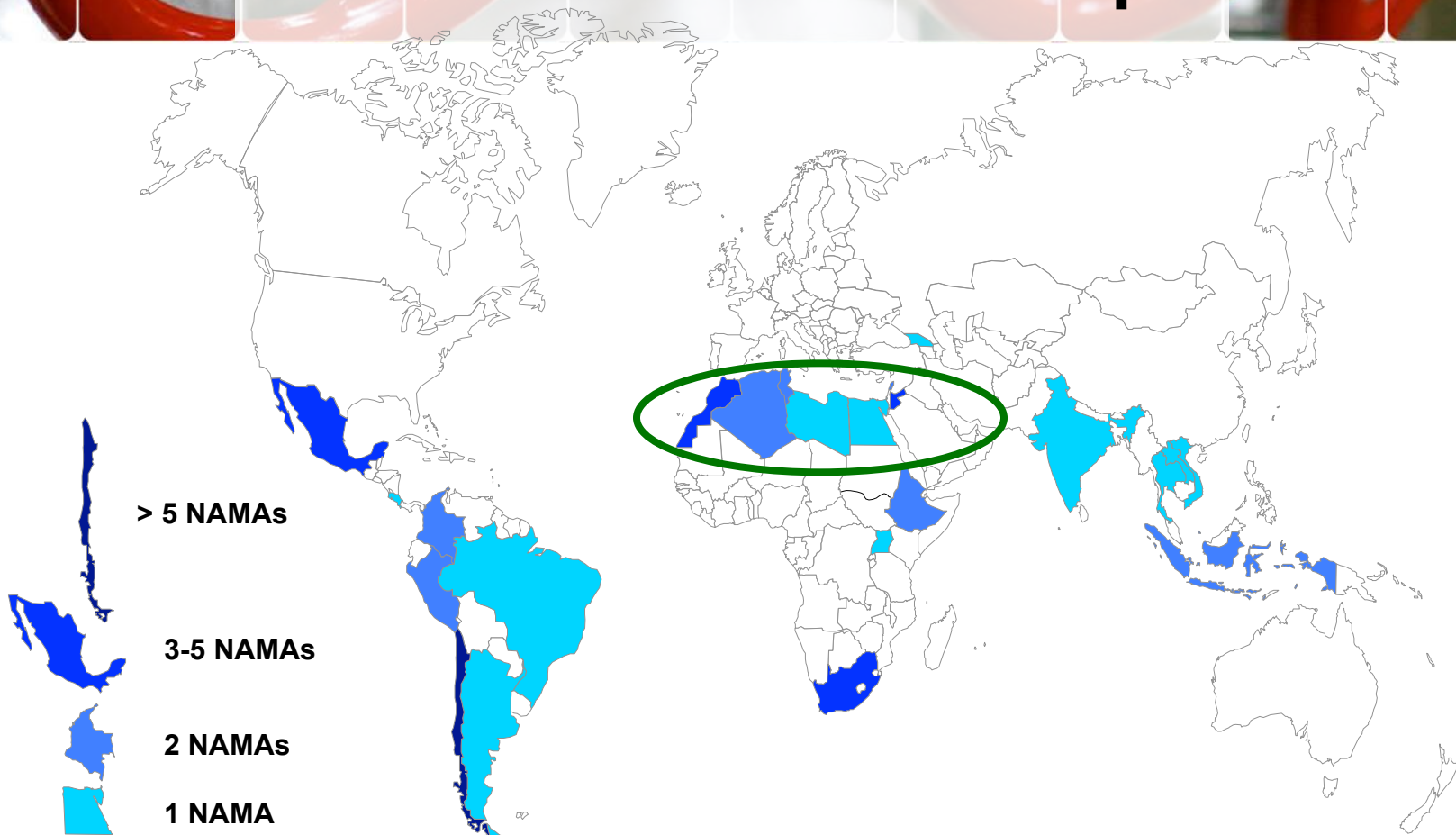


NAMA support

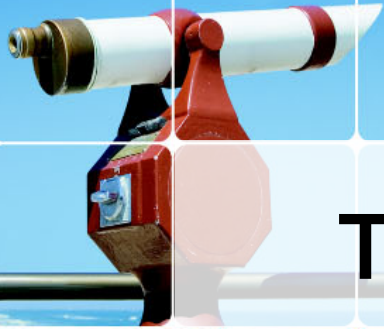
- **World Bank “Programme for Market Readiness“**
 - Morocco, Jordan
- **German “International Climate Initiative“**
 - Tunisia
- **German KfW “Scaling up PoA to NAMAs“**
- **World Bank “MAIN initiative“**
 - To be expanded into MENA, workshop envisaged 7/2012
- **UNDP**
 - Tunisia, Egypt?



The NAMA world map



Data Source: NAMA Database, May 18, 2012



Tunisian showcase

- **40 projects:** Solar, wind, biogas, energy efficiency
- **Emission reductions:** 1.5 million t CO₂e per year
- **Responsibility:** National Energy Conservation Agency
- **Mode of implementation:** mainly by private sector
- **Schedule of implementation:** 2010-2016
- **MRV of emissions reductions:** bottom-up approach based mostly on aggregated indicators (m² of collectors, installed MW, m² of houses isolated, etc.).
- **Total cost:** 1.9 billion Euro,
 - **National contribution:** 1.5 billion Euro,
 - **Need of international support:** 0.4 billion Euro



NAMA challenges in Jordan

Strengths

- National renewable energy law
- High political pressure to reduce fuel imports
- Substantial past engagement in GHG mitigation studies
- Experience with CDM

Opportunities

- Leadership status in Middle East
- Build on innovative city-wide approach
- Recent increases in fuel import costs make RE & EE activities attractive

Weaknesses

- Long lead times for mitigation activities, including supportive legislative framework
- Low domestic financing availability
- Limited mitigation options outside the energy sector
- Limited availability of skilled experts

Threats

- Lack of determined champions on the sectoral level
- Low credit prices



Necessary conditions

- Need for **institutional** arrangements:
 - Active **NAMA piloting system**
 - **Anchor level** of NAMA piloting system (Ministry of Environment, Ministry of Economic Planning and Development, Ministry of Energy, etc.)
- **Capacity building**:
 - Public institutions AND private sector
- **Financially stable** support:
 - Need for national commitments in addition to international cooperation support for NAMA identification, formulation and development process



NAMA push by COP 18

- Previous COPs have been **crucial** in mobilizing **mitigation projects** and **NAMAs**
 - Marrakech: CDM projects in Morocco
 - Cancun: Mexican building NAMA
 - Durban: South African renewable energy NAMAs
- Doha will provide such a **window of opportunity** for the MENA region, especially GCC countries

DOHA 2012
UN CLIMATE CHANGE CONFERENCE
COP18 | CMP8



NAMA in the oil sector

Up-Stream

Down-Stream



**Avoided Venting / Flaring
at Oil Production
Facilities**

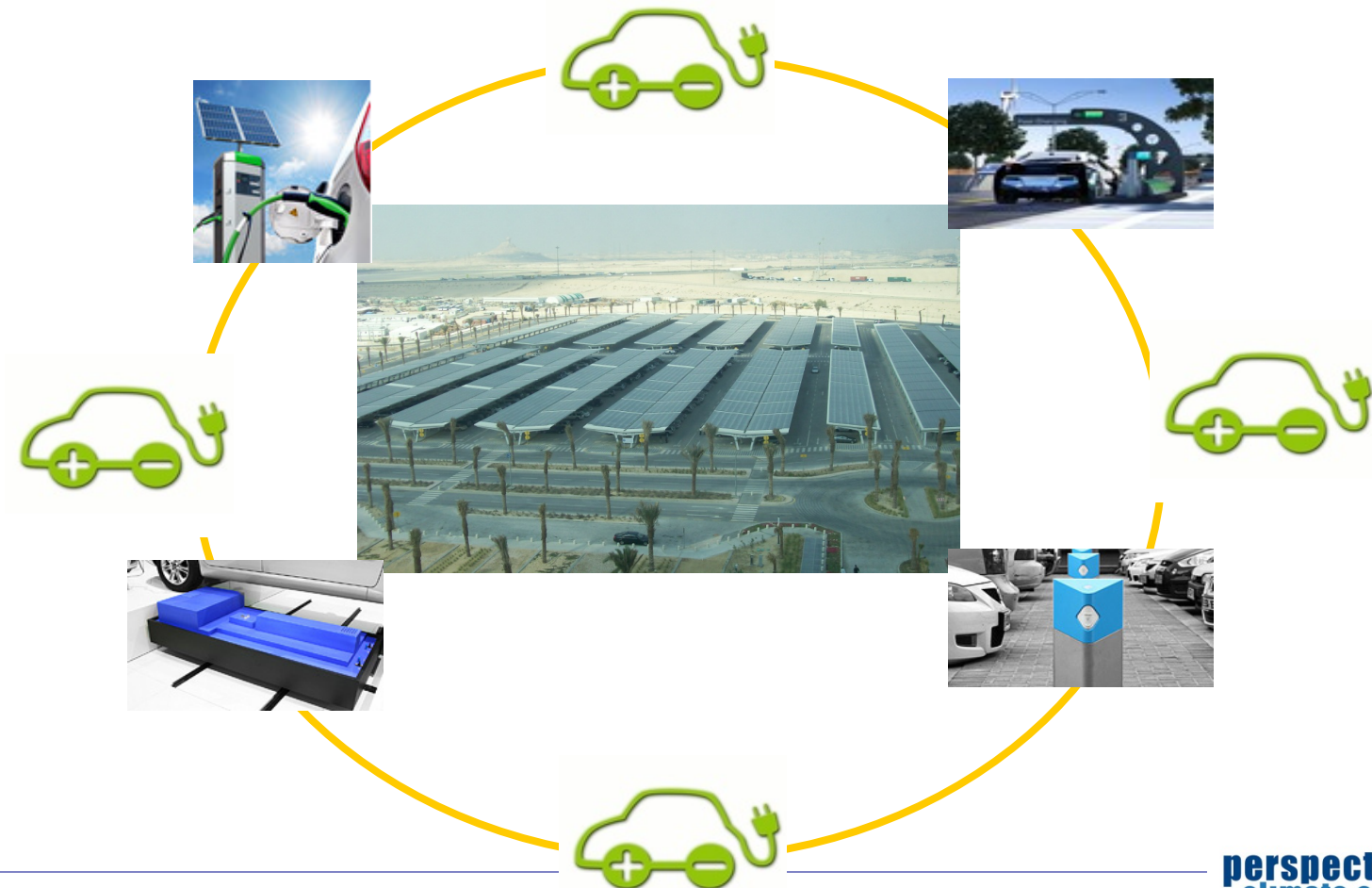


**Vapour Recovery at Crude
Oil Storage Tanks and
Reduction of Leakage**

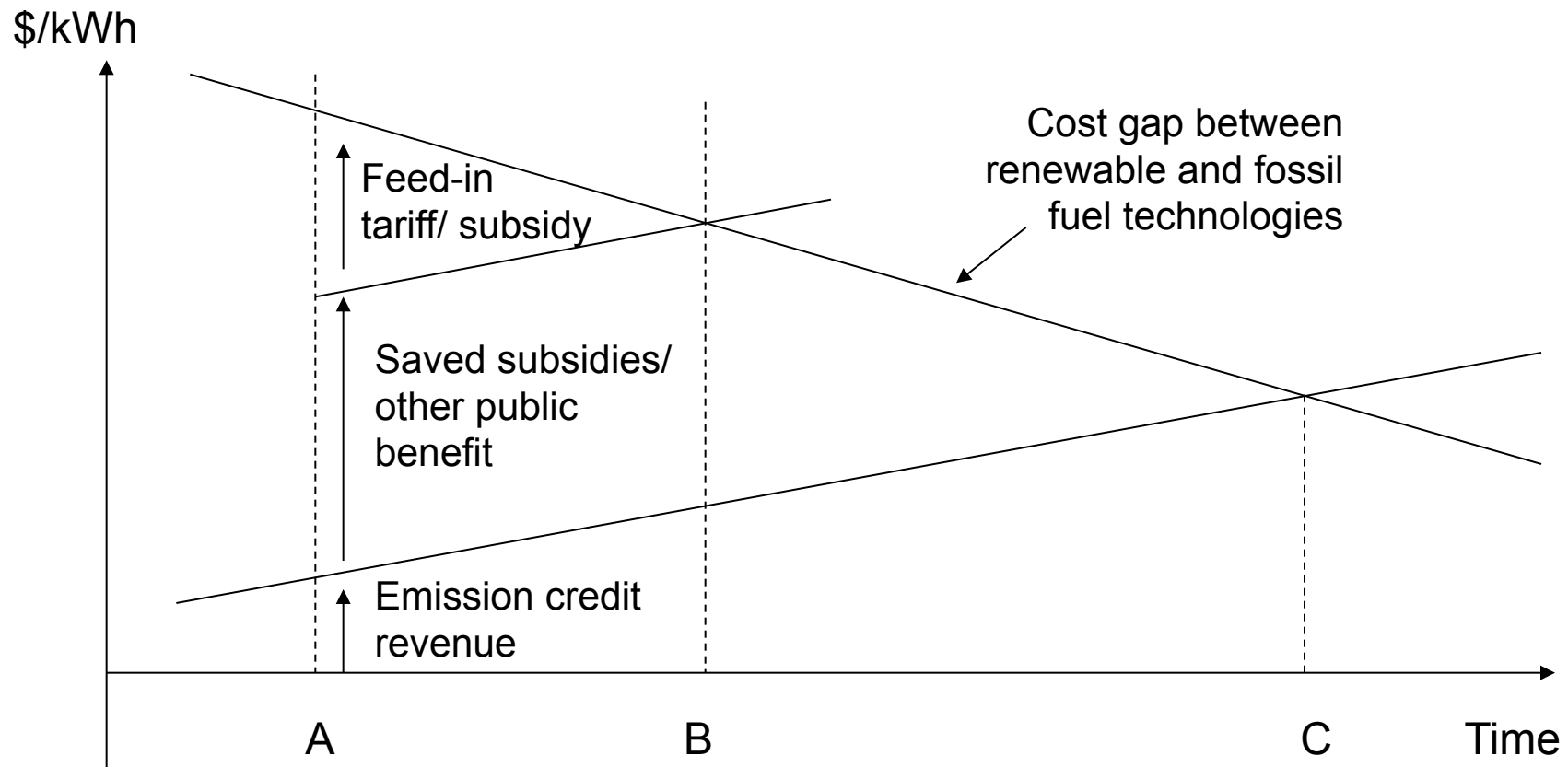


**Energy Efficiency at Oil
Refining and
Petrochemicals Production**

Transport sector NAMA



NAMA financing in the Gulf





Conclusions

- The MENA region is **well placed** in the international NAMA competition
 - However challenges in actually **getting NAMAs off the ground**
- Gulf region still has to **catch up** with North Africa
 - Large NAMA potential in several sectors
 - **Unilateral financing** through energy cost differential
- Doha COP is an **excellent opportunity** to harness support from industrialized countries

Thank you!

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