NAMAs as a tool to deliver energy efficiency measures in buildings

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What is NAMA?

Nationally Appropriate Mitigation Actions (NAMAs) as a tool for developing countries to shape and stimulate their emission reductions approaches while contributing to transition towards low carbon development pathways

- NAMAs refer to any action that reduces emissions in developing countries and is prepared under the umbrella of a national governmental initiative (UNFCCC).
- **NAMA concept** introduced by Bali Action Plan (UNFCCC) in 2007
- Policy, Programme, Project NAMAs

Why NAMAs in the buildings sector?

NAMAs is not a new instrument, but a framework, which encourages a holistic approach to ensure the transition to the low-carbon systems

Buildings account for:

- more than one third global final energy demand
- 60% of the world's electricity use,
- one-third of energy-related CO2 emissions,
- two-thirds of halocarbon,
- and 25–33% of black carbon emissions (GEA 2012)

Population growth
Increased energy access
Risk of the Lock-in effect

20 submissions for NAMAs in the buildings sector (UNFCCC 2014)

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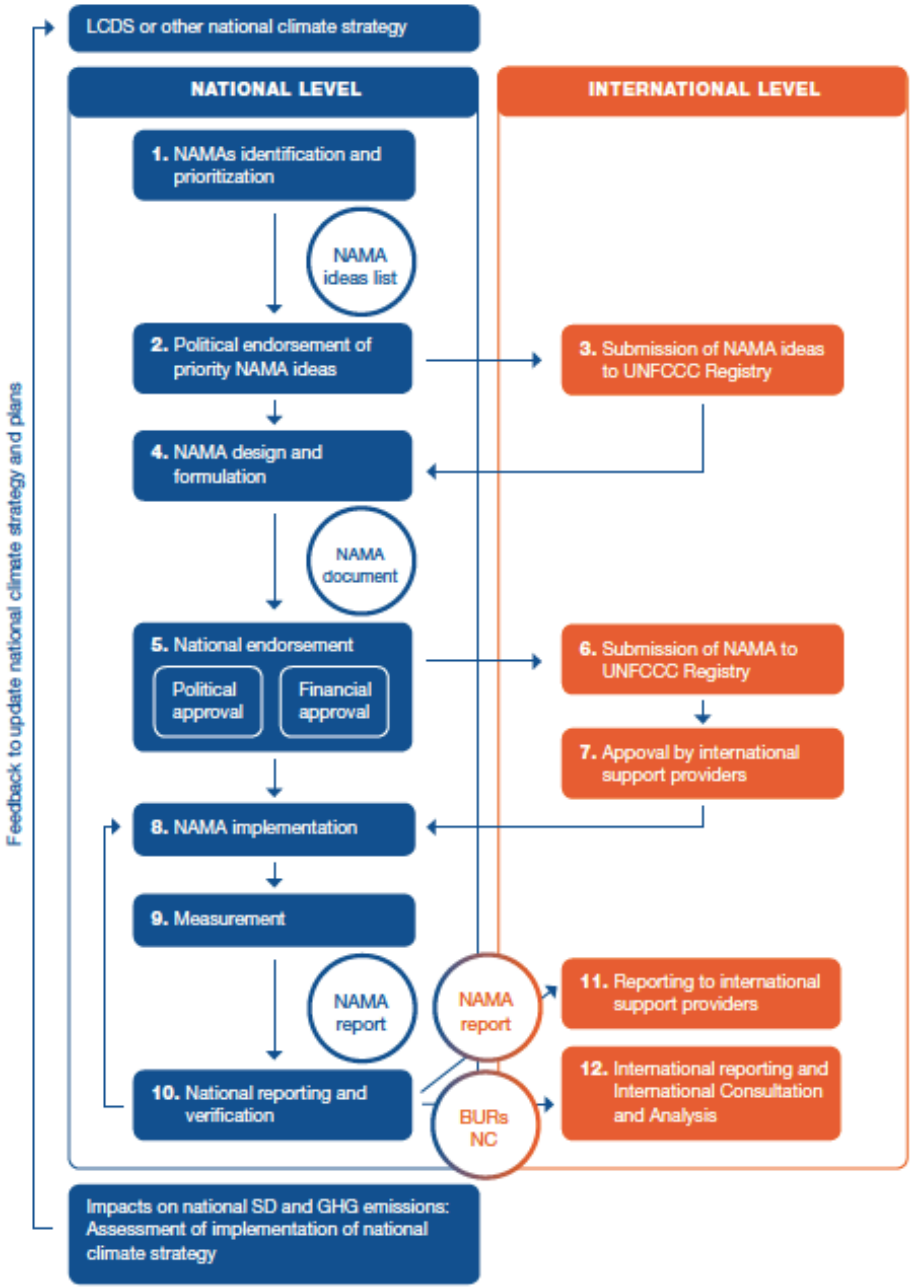
NAMA framework with the aim to improve EE in buildings can help to reduce a number of existing barriers

Barrier	NAMA activity
Institutional	integration into institutional framework enforcement strategy, policy packages
Financial	incentives, costs & benefits to the same stakeholders
Technological	technology transfer, international climate finance, capacity building
Regulatory	regulatory support framework, elimination of negative effects
Behavioral	awareness raising & education

Understanding the NAMA Cycle



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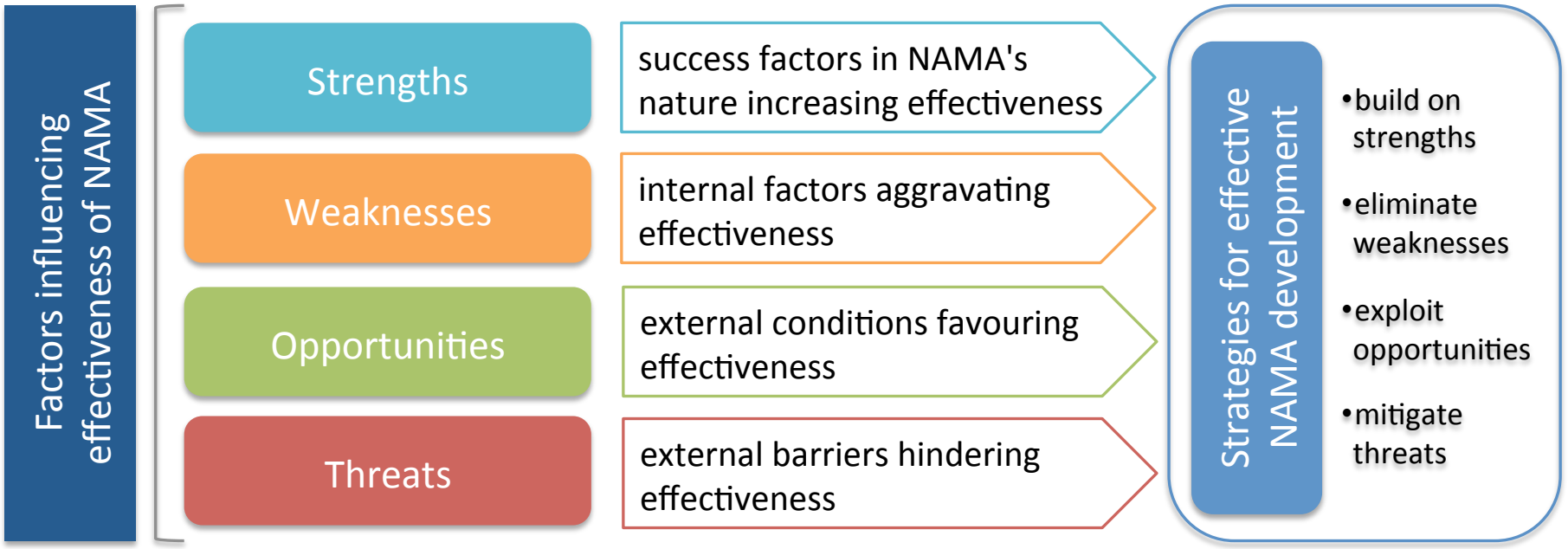
Methodology and data



- review 20 existing submissions to UNFCCC Registry
- utilise the experience of the on-going project on developing building sector NAMAs in 4 countries of Southeast Asia

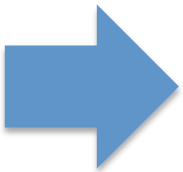
Analysis

STRENGHTS

- Comprehensive mechanism for GHG emissions reductions
- Flexible nature
- Integration into existing institutional framework
- Access to international finance
- Stakeholders involvement
- Holistic approach, co-benefits

Results summary

Factors influencing NAMAs and strategies to improve NAMAs' effectiveness



	STRENGHTS	WEAKNESSES
	• Comprehensive mechanism for GHG emissions reductions • Flexible nature of NAMAs allows the local stakeholders to determine the mitigation actions themselves • Can be integrated into the existing institutional structures and budget • Can strengthen the position of EE in the policy agenda • Offers the way to access the international finance, technology transfer and capacity building opportunities • Requires engagement of a wide range of local stakeholders • Allows for exploiting cost-effective energy efficiency measures in buildings • Can be designed in a way to take advantage of the co-benefits resulting from energy efficiency improvements	• Voluntary nature of NAMAs may reduce motivation for NAMAs initiations • Risk of overexploitation of 'low-hanging fruits' in the interventions • Lack of the clear requirements for the institutional structures to design and implement NAMAs • Lack of the unified guidelines for design and implementation of NAMAs • Lack of the methodologies for estimation of energy use and GHG emissions • Lack of experience of local stakeholders in NAMAs design and implementation • Confusion between NAMA and CDM concepts • Domestic funding is not always easily accessible
OPPORTUNITIES • The need for the tools for mitigation actions in developing countries is increasing • The understanding of energy efficiency in buildings as the key way to reduce energy consumption and GHG emissions is improving • Energy efficiency in buildings is being included in the policy agendas of a number of countries • Energy prices are increasing all over the world making energy efficiency solutions more competitive • Potential for energy efficiency improvements in buildings in developing countries is substantial • Buildings offer a number of cost-effective energy efficiency options • Increasing number of NAMAs focused on energy efficiency in buildings builds capacity and knowledge base for replication	**SO Strategies** • Give the preference to program or policy NAMA, with high mitigation potential • Involve a wide range of stakeholders into NAMA design and implementation • Analyse expected mitigation potential of the NAMA, clearly state it in the NAMA Proposal and ensure its achievement during implementation • Select the interventions, which are likely to yield a number of co-benefits • Analyse the experience from other NAMAs prior to NAMA design • Maximize the utilization of domestic funding • Ensure that investors benefit from profits • Align the NAMA's interventions with local policy goals and strategies • Analyse the existing institutional structures for better NAMA integration • Develop and implement a strong MRV framework	**WO Strategies** • Design NAMA, which will be beneficial for the society and clearly communicate its benefits to the key stakeholders and policy-makers • Explore the variety of potential cost-effective interventions, having in mind a long-term perspective and co-benefits • Get familiar with the existing NAMA guidelines, materials on existing NAMAs, if needed seek the assistance from experts • Explore existing methodologies and tools for GHG emissions calculations and choose the most appropriate one to the local data availability • Involve the stakeholders from the domestic private and financial sectors in the NAMA design to explore the funding opportunities • Apply for the international funding if there is a lack of domestic resources
THREATS • Insufficient regulatory legislative and regulatory base, lack of regulatory incentives • Lack of coordination and overlapping mandates among administrative and regulatory entities • Lack of incentives to implement NAMAs in the building sector • Lack of knowledge about NAMA concept and understanding of the process • Lack of available financing • Split incentives in the building sector • Fragmentation of the building sector • Lack of locally available technologies and practices for technology transfer • Lack of technical capacity available locally for implementation of energy efficiency measures in buildings • Lack of data on building energy use for baseline analysis and progress tracking • Weak enforcement and low compliance	**ST Strategies** • Design NAMA, which can address (or adapt to) existing regulatory gaps • Raise awareness of the NAMA concept among the key stakeholders • Involve both administrative and regulatory entities into the NAMA design process, clearly outline the responsibilities of various stakeholders • Increase the visibility of a NAMA among the stakeholders, communicate its progress and benefits • Collect data at least for a small sample of buildings, use expert judgments to fill some of the data gaps, propose the creation of data collection framework • Explore the opportunities for technology transfer from other countries • Maximize exploitation of passive and bioclimatic building design features • Include incentives for enforcement and compliance for various stakeholders	**WT Strategies** • Demonstrate the long-term effect of potential NAMA interventions to policy-makers • Explore all possible fundraising strategies, adapt NAMA interventions to the interests of potential funders • Seek for international support in NAMA design and building local capacity for its implementation • Reduce the scale of a potential NAMA: start with the pilot projects and then scale-up to the program or policy level • Start with regulatory NAMAs, which will help to create more favourable market conditions for energy efficiency measures and improve capacity • Strengthen the enforcement incentives for different stakeholders

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Key guiding principles for development of a policy NAMA

Integrate of NAMAs into existing structures

Engage stakeholders, ensure communication

4. Maximize utilization of domestic funding
5. Seek for the international support for capacity building and/or technology transfer, and additional international finance if needed.

Focus on high impact opportunities

Establish and follow MRV framework

9. Establish incentives to ensure compliance
10. Enhance human resources and capacities of the key institutions
11. Develop and adopt a comprehensive strategy to address institutional barriers and

Ensure supporting policies, enforcement and compliance

Explore domestic opportunities first, then international ones

Thank you for your attention!

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