



Sustainable Development Impacts of NAMAs: An integrated approach to assessment of co-benefits based on experience with the CDM

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Sustainable Development

Impacts of NAMAS:

**An integrated approach to assessment of co-benefits
based on experience with the CDM**

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Development and Mitigation Forum

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Outline:

- Rationale
- Learning from CDM experience: The SD Tool
- SD impacts of NAMAs – towards an integrated approach
- Policy relevance



Rationale

- why an integrated approach to SD assessment?

Development vs. Climate first?

- NAMAs shall contribute to SD (1/CP.13, BAP - ‘development first approach’) and represent developing countries net contribution to the global mitigation effort to stay below 2 °C of warming
- An international, voluntary approach to SD assessment of mitigation actions exists for CDM but not (yet) for NAMAs
- Contrary to CDM (‘climate first approach’), NAMAs are typically driven by development objectives with GHG reductions as a co-benefit
- Both perspectives are needed for a strong approach to promote NAMAs for SD. An *ex-ante* (development first, procedural approach to ‘nationally appropriate’) and an *ex-post* assessment (of SD co-benefits and impacts for transformational change) are complementary and part of an integrated approach covering all stages in the NAMA action cycle.



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The CDM SD Tool

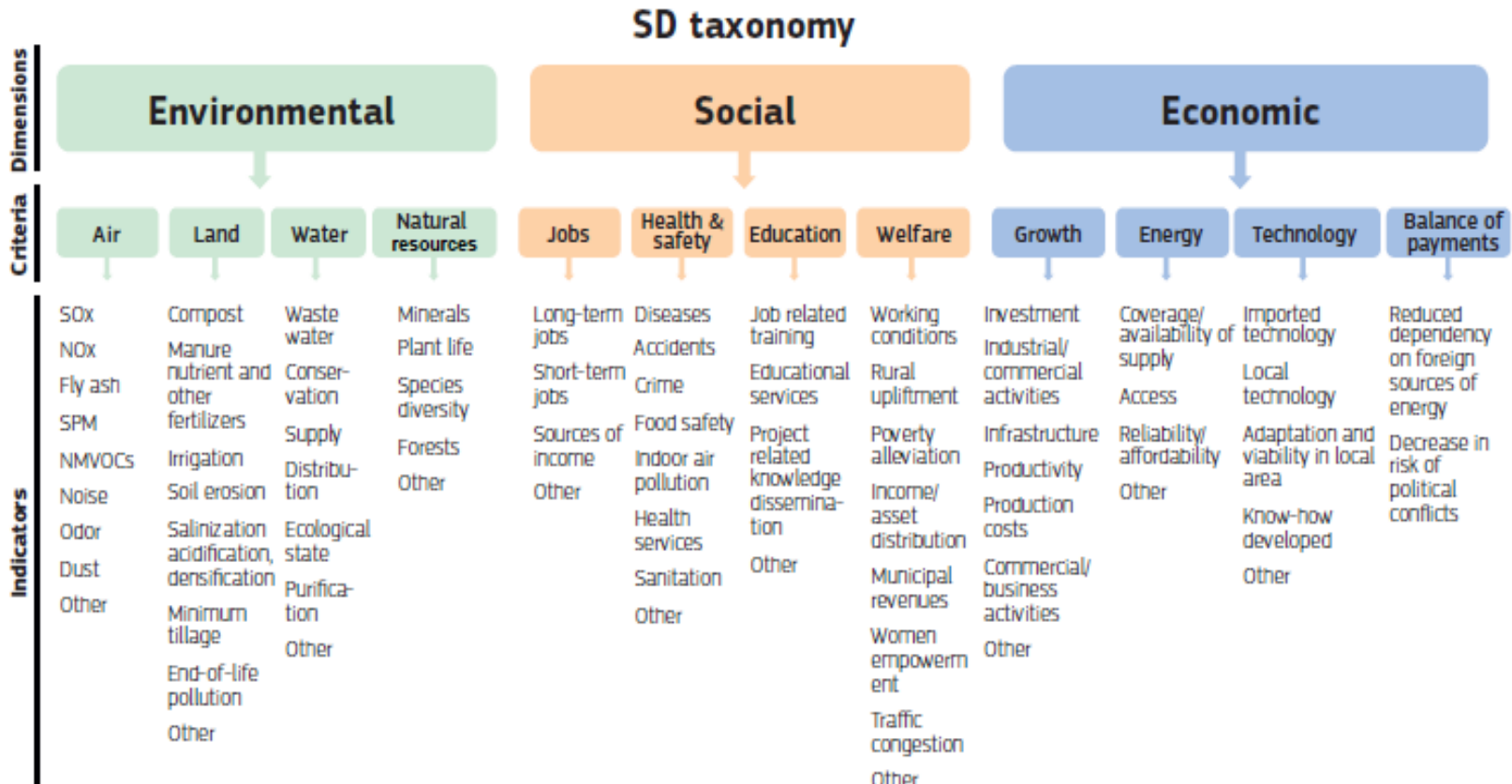
Challenges to assess the CDM's SD contribution

- In the absence of an international acceptable definition of SD, the benefits cannot be known, nor monitored and are not monetized in the carbon market, except for voluntary standards like the GS & CCB.
- Two main findings of a literature review (Olsen 2007) on how the CDM contributes to SD are that: 1) Left to the market forces the CDM does not significantly contribute to SD. 2) No methodology exists at global level to assess the total contribution of all CDM projects to SD.
- Challenge: An international standard for SD co-benefit indicators can enable that monitoring and reporting takes place to inform the global carbon market with the aim of directing investments towards maximising the SD benefits.

CDM Executive Board response to SD assessment

- The Board launched at its 61st meeting a Call for public inputs on sustainable development co-benefits and negative impacts of CDM project activities
- At CMP.7 (decision 8/CMP.7), the Parties requested the Board to “*continue its work and develop appropriate voluntary measures to highlight the co-benefits brought about by clean development mechanism project activities and programmes of activities, while maintaining the prerogative of Parties to define their sustainable development criteria*”.
- At EB67, the Board considered a concept note on highlighting sustainable development co-benefits on a voluntary basis (EB67 Annex 13)
- At EB68 the Board considered a draft SD tool based on an integrated approach to three elements: 1) SD co-benefits, 2) No harm Safeguards and 3) Stakeholder involvement.
- At EB69 the Board requested the Secretariat to only include positive SD benefits in the SD tool, i.e. to exclude negative impacts & stakeholder involvement
- At EB70 the SD Tool was approved!

CDM sustainability assessment



Online SD tool – example: air quality

6. Does the activity improve air quality in the area?

The activity improves air quality by reducing air pollutants such as SO_x (sulphur oxides), NO_x (nitrous oxides), Suspended Particulate Matter (SPM) emissions, Non Methane Volatile Organic Compounds (NMVOCs), fly ash, noise, odour or dust. Reductions in greenhouse gasses are not included, as this defines all CDM projects. Avoided indoor smoke is identified can be declared under "Social health and safety" section.

- Yes (and I wish to specify)
- No (the activity has no direct impact)
- N/A (the question is not relevant)

Environment – Air – specific indicators

7. How and to what extent does the activity improve air quality in the area?

Reducing level/frequency/time of SO_x (sulphur oxides) emissions?

- Highly Partly Slightly N/A

Please specify

Reducing level/frequency/time of NO_x (nitrous oxides) emissions?

- Highly Partly Slightly N/A

Please specify

Reducing level/frequency/time of fly ash emissions?

- Highly Partly Slightly N/A

Please specify

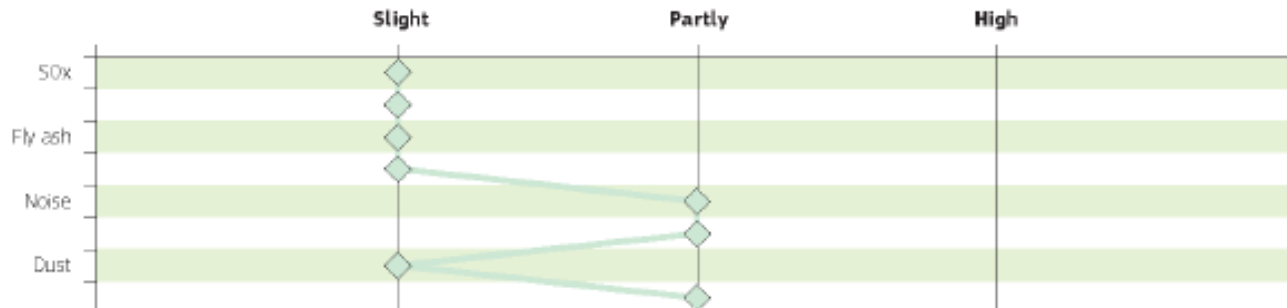
SD declaration report – air benefits

A. Environmental co-benefits

Water and land co-benefits were declared as N/A, which means the criteria are not relevant to the project.

The programme of activities improves air quality in the area through:			
Criteria	Indicators	Specification	Extent
Air	SOx	limited	Slight
	NOx	limited	Slight
	Fly ash	limited	Slight
	Suspended Particulate Matter (SPM)	limited	Slight
	Noise	substituting diesel generators	Partly
	Odours	substituting kerosene lamps	Partly
	Dust	limited, but some dust from wood waste will be reduced	Slightly
	Other air based improvements	Indoor air improved as no kerosene and paraffin lamps	Partly

The extent of the environmental co-benefits:



SD impacts of NAMAs
- towards an integrated approach

SD benefits in NAMAs submitted to the UNFCCC Registry

NAMA	Environmental	Social	Economical	Institutional	Transformational
Chile: Implementation of a National Forestry and Climate Change Strategy <i>(support for implementation)</i>	Forest management Biodiversity Afforestation Restoration of natural forests Generation of environmental assets	Gender equality	Economic alternative for owners of degraded land Access to participate in the forestry business and in carbon markets	Improvements in land titling processes Sub-national reference levels and MRV systems to include indicators related to adaptation Platform for the Generation and Trading of Forest Carbon Credits Social and environmental safeguards are fully considered	
Uruguay: First introduction of Photovoltaic Solar Energy in the national electrical grid <i>(support for implementation)</i>		Testing laboratories Training professionals	Strengthen the assembly and maintenance of the national solar network	Conditions for holding a competitive process for the incorporation of new plants by private companies Capacity building support in the regulator organism and the Public Electric Utility Technical regulatory framework for this resource	Goal to have at least 50% of the national energy supply mix based on renewable sources At least 90% of the electrical grid supported by renewable sources

An integrated approach

Three elements:

- SD indicators
- Stakeholder involvement procedures
- Safeguards against negative impacts

Action/Project cycles	NAMAs	CDM
National Development Planning	Low Carbon Development Strategy (LCDS) A 'development first', co-benefit approach: Identify national (sustainable) development priorities that NAMAs contribute to (ex-ante)	-
Design of action/project	No format requirements Include indicators for SD co-benefits in the design format and conduct stakeholder involvement and safeguards for no-harm-done	Project Design Document (PDD) Stakeholder involvement
National Approval	NAMA Approver submit mitigation actions to the Registry: To seek support for preparation, to seek support for implementation or to seek recognition (unilateral)	Designated National Authority (DNA) issues Letter of Approval (LoA) for SD contribution SD indicators
Validation/Registration	-	Designated Operational Entity (DOE) and Executive Board (EB)/ Registry
Financing	Supported NAMAs: bilateral, multilateral, private sector, Green Climate Fund, Foreign Direct Investment (FDI) and carbon markets. A mix of sources is possible. Unilateral NAMAs: domestic finance Explicit SD and climate benefits can help inform investors to get the most benefits for their money	Investors
Implementation	NAMA developer	Project owner/Coordinating Managing Entity (CME) for Programmes of Activities (PoAs)
Monitoring, reporting and Verification	SD co-benefits and impacts of mitigation actions to be monitored, reported and verified along with GHG metrics (ex-post). For pledged, international NAMAs there is International Consultation and Analysis (ICA) of Biennial Update Reports (BUR). There are no requirements for MRV of individual NAMAs	Designated Operational Entity (DOE) Safeguards against negative impacts
Issuance of CERs/units of GHG reductions	Possible links to New Market Mechanisms (NMMs) and Framework for Various Approaches (FVA) for crediting of NAMAS Units of GHG reductions to be certified for their SD co-benefits	Executive Board (EB)/Registry

Five steps:

1. Identify national SD objectives in the context of national development planning priorities and low carbon development strategies,
2. Design of NAMAs including SD indicators, stakeholder involvement procedures and safeguards against negative impacts,
3. Financing of NAMAs to be informed by SD impacts,
4. Monitoring, reporting and verification (MRV) of an integrated approach and
5. Certification of the SD impacts of credited NAMAs possibly to be traded under a new market mechanism or a framework for various approaches.



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Policy relevance

Operational potential and further research:

Operational potential:

- Find the right balance between standardization and flexibility
- Different needs for SD assessment of unilateral, supported and credited NAMAs

Further research needs:

- Quantification of co-benefits
- From SD co-benefits to transformational change
- Based on national systems for MRV
- Certification of units' SD impacts traded under NMM and FVA



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Thanks!

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The NAMA partnership

UNEP Risø is leading the WG on SD



WG-SD webinar series

Two types :

Title	Host(s)	Date
Discussion and Peer-review Webinar Series		
Institutional Challenges for NAMAs	URC	January 2014
An integrated approach to assessment of SD impacts of NAMAs based on experience with CDM	URC	February 2014
NAMAs: An approach to Design, Label and Monitor	TERI	TBC
Capacity Building Webinar Series		
NAMA E-learning course	URC	May 2014 (TBC)
A methodology for SD impact assessment of NAMAs	UNDP	August 2014 (TBC)

← → ↻ www.namapartnership.org

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NAMA PARTNERSHIP

ABOUT WORKING GROUPS PARTNERS PUBLICATIONS LINKS CONTACT

NAMA Partnership

Developing countries have agreed to prepare and implement nationally appropriate mitigation actions (NAMAs) as a part of their contribution to global mitigation efforts. While initiatives to assist developing countries to prepare and implement NAMAs are scattered, uncoordinated and in short supply; multilateral, bilateral and other organizations are in the process of supporting developing countries with different aspects of mitigation.

In this context, the NAMA Partnership emerges as a group of multilateral organizations, bilateral cooperation agencies and think tanks that have come together to work on Nationally Appropriate Mitigation Actions (NAMAs). The international partnership on NAMAs will focus on information and knowledge sharing to deliver know-how in support of developing countries.



Areas of Work

The partnership aims to identify best practices and share knowledge to inform the preparation and implementation of NAMAs around three main areas.

The three areas of work are:

- NAMAs in the context of national development
- Preparation and implementation of individual NAMAs in different sectors or technologies
- Finance

NEWS

NAMA Partnership side-event at COP 19 in Warsaw, Poland

Place: The National Stadium, Room 2

Date: 14 November 2013

Time: 13.15 – 14.45

See the agenda for the NAMA Partnership side event [here](#).

NAMA Partnership Workshop at COP 19 in Warsaw, Poland

Place: Hyatt Hotel – Topaz Room Meeting, Warsaw


EVENTS

UNFCCC regional workshop on promoting international collaboration to facilitate preparation and implementation of NAMAs

Singapore; 13 - 15 August 2013

UNFCCC regional workshop on promoting international collaboration to facilitate preparation, submission and

NAMA PARTNERSHIP FLYER



WORKING GROUP ACTIVITIES

Access materials from the first brainstorming session of the Working Group on NAMAs and Sustainable Development [here](#).

NEW PAPER

Linkages between NAMA, LEDS and MRV

NAMA PARTNERSHIP WIKI

Access the NAMA Partnership Wiki [here](#).