



Project Implementation Report

(1 January 2023 – 30 June 2023)

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| Project Title: | Clean technology innovation programme for SMEs and start-ups in the Republic of Moldova |
| GEF ID: | 10457 |
| UNIDO ID: | 180330 |
| GEF Replenishment Cycle: | GEF-7 |
| Country(ies): | Republic of Moldova |
| Region: | ECA - Europe and Central Asia |
| GEF Focal Area: | Climate Change Mitigation (CCM) |
| Integrated Approach Pilot (IAP) Programs¹: | - |
| Stand-alone / Child Project: | Global Cleantech Innovation Programme |
| Implementing Department/Division: | ENE / CTI |
| Co-Implementing Agency: | Energy Efficiency Agency of Moldova |
| Executing Agency(ies): | Energy Efficiency Agency of Moldova |
| Project Type: | Medium-Sized Project (MSP) |
| Project Duration: | 60 months |
| Extension(s): | N/A |
| GEF Project Financing: | USD 855,000 |
| Agency Fee: | USD 76,950 |
| Co-financing Amount: | USD 7,580,000 |
| Date of CEO Endorsement/Approval: | 10/19/2021 |
| UNIDO Approval Date: | 11/19/2021 |
| Actual Implementation Start: | 12/8/2021 |
| Cumulative disbursement as of 30 June 2023: | USD 607,356.56 |
| Mid-term Review (MTR) Date: | 6/30/2024 |

¹ Only for GEF-6 projects, if applicable

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| Original Project Completion Date: | 8/12/2026 |
| Project Completion Date as reported in FY22: | N/A |
| Current SAP Completion Date: | 12/8/2026 |
| Expected Project Completion Date: | 12/8/2026 |
| Expected Terminal Evaluation (TE) Date: | 11/13/2026 |
| Expected Financial Closure Date: | 12/31/2026 |
| UNIDO Project Manager²: | Olga Rataj |

I. Brief description of project and status overview

| Project Objective |
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| <p>The project objective is to promote the acceleration of high-impact clean technology innovation for large-scale deployment and green job creation.</p> <p>As part of the GCIP Framework, the GCIP Moldova receives support from the GCIP global coordination child project (GEF ID: 10461), further referred to as GCIP Global. More specifically, it is supported by global project executing entities (global PEEs), including the Network for Global Innovation (NGIN), the Cleantech Group (CTG), the Private Financing Advisory Network (PFAN), and UNIDO.</p> <p>In particular, the project will:</p> <ol style="list-style-type: none"> 1) Transform early-stage innovative cleantech solutions into scalable enterprises; <p>The focus is on early-stage innovative cleantech solutions and the provision of acceleration support related to entrepreneurship and business skills training. In addition, targeted technical assistance will be offered to the start-ups/SMEs that were accelerated and have traction and sales evidence but still need specialized enterprise growth support. Furthermore, start-ups/SMEs in the expansion stage will receive tipping-point investment facilitation services to raise investment.</p> <ol style="list-style-type: none"> 2) Strengthen the capacities of cleantech innovation and entrepreneurship ecosystem (CIEE) stakeholders and connect them; <p>Activities are designed to maximize the impact of GCIP by strengthening national cleantech ecosystems of GCIP partner countries, identifying synergies across national ecosystems, and connecting ecosystems for knowledge exchange and partnership building. At the national child project level, developing policies and regulations to promote cleantech innovation will be prioritized.</p> <ol style="list-style-type: none"> 3) Engage with the GCIP global coordination child project to ensure programme coordination and coherence. <p>In order to maintain coherence and standards of GCIP execution across multiple countries, GCIP guidelines will be developed under the GCIP Global and disseminated as a tool for national child projects for adaptation and adoption.</p> |

| Baseline |
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| <p>The current geopolitical context, including the war in Ukraine and Russia's politicization of trade in energy resources, has exponentially increased the energy supply risks of the Republic of Moldova.</p> <p>The prolonged war and the uncertainty of future events perpetuate the crisis in Moldova, including the crisis in the energy sector. Thus, given that the Russian Federation holds an important (dominant) position</p> |

² Person responsible for report content

in the energy markets, practically any action taken by the Russian Federation about the imposition of restrictions on the supply of energy resources, as well as energy-related sanctions applied by other states, has a direct impact on the stability of the energy market of the Republic of Moldova and the value and predictability of prices for these resources.

The military conflict in Ukraine led to disruptions in the gas transit infrastructure and a decrease in gas supplies from Russia. Reduced gas supplies resulted in higher energy prices, shortages, and greater dependence on alternative energy sources and imports from other countries.

To mitigate the risks of the energy sector, Moldova has been actively seeking to diversify its energy sources and reduce reliance on imports. Efforts have been made to develop renewable energy, improve energy efficiency, and enhance regional energy cooperation through projects such as interconnectors and integration into the European energy market.

Due to the precarious energy security, the level of exposure of the Republic of Moldova to external shocks has increased. The risky situation in the energy sector is expected to persist for a long time in the next decade in Moldova.

The reforming of the energy sector is a high priority for the actual government of Moldova.

Considering the situation in the energy sector, the Government of the Republic of Moldova initiated a series of institutional reforms. One of these is the reform of the Energy Efficiency Agency. By restructuring the Agency for Energy Efficiency, the investments with the most significant impact on the energy sector and the main energy-consuming sectors are prioritized.

Restructuring the Energy Efficiency Agency affected some internal project implementation processes of GCIP Moldova during the first mid-year of 2023.

The first half of 2023 was marked by administrative changes in all public entities related to the energy sector. A new Ministry of Energy was created; consequently, the Energy Efficiency Agency was moved in subordinate to this Ministry. Also, the procedure for appointing the new director of the Energy Efficiency Agency was initiated and finalized in January of 2023.

After the new Director's appointment, the public procurement procedure was initiated to subcontract the PMU's experts. The procedure was finalized in April 2023, and in May 2023, the PMU started the work.

The PMU worked in the incertitude and unclarities until May of 2023, when the contracts were signed. Because of this, all public activities were on hold. Until May 2023, the PMU worked only on internal procedures (developing work plans, preparing ToR's for other experts, etc.)

Please refer to the explanatory note at the end of the document and select corresponding ratings for the current reporting period, i.e. FY2x. Please also provide a short justification for the selected ratings for current FY.

In view of the GEF Secretariat's intent to start following the ability of projects to adopt the concept of adaptive management³, Agencies are expected to closely monitor changes that occur from year to year and demonstrate that they are not simply implementing plans but modifying them in response to developments and circumstances or understanding. In order to facilitate with this assessment, please introduce the ratings as reported in the previous reporting cycle, i.e. FY2x (previous), in the last column.

| Overall Ratings ⁴ | FY2023(current) | FY2022(previous) |
|--|-------------------------|------------------|
| Global Environmental Objectives (GEOs) / Development Objectives (DOs) Rating | <i>Satisfactory (S)</i> | <i>Unknown</i> |

³ Adaptive management in the context of an intentional approach to decision-making and adjustments in response to new available information, evidence gathered from monitoring, evaluation or research, and experience acquired from implementation, to ensure that the goals of the activity are being reached efficiently

⁴ Please refer to the explanatory note at the end of the document and assure that the indicated ratings correspond to the narrative of the report

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| <p>The project was not evaluated in the previous year, so there is no previous FY GEOs/DOs rating to compare against the current FY rating. However, based on the progress rationale reported in Section II, the Satisfactory (S) rating is justified.</p> <p>The project has demonstrated substantial progress in achieving its primary global environmental objectives (GEOs) and delivering satisfactory global environmental benefits. The project team has effectively addressed key challenges, implemented relevant activities, and made significant strides toward the project's desired outcomes.</p> <p>While there may be minor shortcomings or areas for improvement, these do not significantly hinder the overall progress and impact of the project. The project team has taken proactive measures to address identified shortcomings and ensure they are appropriately managed and mitigated.</p> | | |
| Implementation Progress (IP) Rating | <i>Moderately Satisfactory (MS)</i> | <i>Unknown</i> |
| <p>Since the project was not evaluated in the previous year, there is no previous FY Implementation Progress rating to compare against the current FY rating. However, based on the progress rationale reported in Section II, the Satisfactory (S) rating is justified.</p> <p>The project has substantially complied with the original or formally revised plan in implementing most components. The project team has effectively executed activities, adhered to timelines, and achieved significant milestones in line with the project's objectives.</p> <p>While a few components may require remedial action, especially those related to the knowledge management activities/products, these represent only a minor portion of the overall project. The project team has identified these areas and taken necessary measures to address any issues, ensuring they are brought back into compliance with the project plan.</p> <p>The current FY rating of Satisfactory reflects the project's overall positive performance in implementing its components in substantial compliance with the plan.</p> <p>The successful execution of most project activities contributes to a satisfactory rating and indicates that the project is on track to achieve its intended outcomes.</p> | | |
| Overall Risk Rating | <i>Moderate Risk (M)</i> | <i>Unknown</i> |
| <p>The previous year's Risk rating for the project was High, primarily due to the impact of the military conflict in Ukraine. However, the Risk rating for the current year has decreased to Low risk due to successful remediation efforts on some indicators.</p> <p>Also, the internal process of the changes in the EEA's management and capacities of the personnel affected the risk rating.</p> <p>During the current year, the project team implemented remediation actions to address the identified risks, especially in identifying the cofinancing for investment mobilization. These actions included proactive measures to minimize the project's exposure to the conflict and its consequences.</p> <p>However, risks remain in the area of investment mobilization actions. Despite successful remediation efforts, some uncertainties must be carefully monitored and managed.</p> | | |

II. Targeted results and progress to-date

Please describe the progress made in achieving the outputs against key performance indicator's targets in the project's **M&E Plan/Log-Frame at the time of CEO Endorsement/Approval**. Please expand the table as needed.

Please see an annex to the report.

III. Project Risk Management

1. Please indicate the overall project-level risks and the related risk management measures: (i) as identified in the CEO Endorsement document, and (ii) progress to date. Please expand the table as needed.

| | Risks | Risk level FY 23 | Mitigation measures | Progress to-date | New defined risk |
|---|---|------------------|---|--|------------------|
| 1 | Institutional Risk – Lack of absorptive capacity by the national counterpart | Low | Capacity building of EEA will be an ongoing process throughout the project implementation period to ensure that staff is comprehensively trained and the sustainability of the programme is ensured. | A capacity-building program for the personnel of EEA is planned for quarter three of 2023. | No |
| 2 | Institutional Risk – Insufficient administrative and organizational capacity of the EEA for successful execution of the project | Low | An organizational assessment (a micro assessment under the Harmonized Approach to Cash Transfers framework) was conducted during the PPG phase to evaluate potential execution risks. The results showed the risks to be low in all areas under consideration. | A capacity-building program for the personnel of EEA is planned for quarter three of 2023. | No |
| 3 | Institutional Risk – Insufficient technical capacity of the EEA for successful execution of the project | Low | The GEF OFP nominated EEA, in consultation with key stakeholders, as the most appropriate national agency to execute the project. Therefore it is assumed that it has the pertinent mandate and technical capacity for achieving the project objective and associated outputs and activities. | A capacity-building program for the personnel of EEA is planned for quarter three of 2023. | No |
| 4 | Institutional Risk – Lack of effective coordination between various project partners | Low | Proper coordination will be ensured by establishing the Project Steering Committee (PSC), and ad-hoc working groups will be formed if necessary. | A capacity-building program for the personnel of EEA is planned for quarter three of 2023. | No |
| 5 | Operational Risk – On-going global restrictions due to global shocks (e.g. COVID-19) | Low | In case of travel and/or group meeting restrictions, the GCIP Moldova training and meetings/events will be organized online. | Meetings so far have been held online. | No |
| 6 | Sustainability Risk – Lack of ownership of project results and inability to source funding to continue the activities in the medium and long term | Low | A GCIP Moldova sustainability and exit strategy will be developed based on a framework delivered by GCIP Global, and it will, among others, include specific considerations related to a formal project closure process (based on targets achieved by the GCIP Moldova) and long-term sustainability of the achieved results. | Action has yet to be taken. | No |
| 7 | Political Risk – Lack of political support to mainstream innovative cleantech | Medium | The Government of Moldova supports the project, and different ministries have been involved in the design of the project. | There have been political changes in Moldova recently, including the restructuring of the EEA. | No |
| 8 | Market Risk – Lack of interest by entrepreneurs and | Low | Outreach and communications activities will be a crucial component of the GCIP Moldova | Outreach and communications activities are conducted on an ongoing basis. | No |

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| | other stakeholders to participate in the GCIP Moldova | | in the lead-up to the opening of the application process and throughout the project to attract entrepreneurs, potential sponsors and partners, and mentors and judges. The GCIP Moldova knowledge management, communication, and advocacy strategy will be developed to guide these efforts. | | |
| 9 | Market Risk – Failure of businesses supported by GCIP Moldova | Low | The GCIP guidebooks (for Pre-Accelerator, Accelerator, Advanced Accelerator, and Post-Accelerator) will be comprehensive documents that articulate the GCIP approach to promoting cleantech innovation and entrepreneurship in developing countries. As such, they will help ensure the businesses supported have real market potential. In particular, the GCIP Moldova guidebooks will define the participants' eligibility requirements and selection criteria. | The PMU received relevant guidebooks from GCIP Global and is working on their adoption. | No |
| 10 | Financing Risks – Incentive and financial support systems are insufficient. | Low | The outreach and communications activities will be targeted at, among others, financing institutions, venture capitalists, and angel investors. Moreover, the strong GCIP brand and the direct involvement of renowned global PEEs are expected to build the confidence of national and international financiers. The PSC will include at least one representative of a financing institution or an investor. | Private investors were identified, and a process of investment mobilization was started. For 2023 it is expected to mobilize around 1.000.000 USD from the private sector or finalize the installation of a 2 MW solar photovoltaic power plant. | No |
| 11 | Financing Risks - The high inflation rate limited the investments in renewable energy projects | High | Alternative solutions to mobilize investments from the private sector and multilateral and bilateral organizations will be identified | Private investors were identified, and a process of investment mobilization was started. For 2023 it is expected to mobilize around 1.000.000 USD from the private sector or finalize the installation of a 2 MW solar photovoltaic power plant. | Yes |
| 12 | Social and Gender Risks | Low | To ensure gender inclusiveness of all project activities, UNIDO methodology for gender assessment and gender-responsive communication showing the benefits of gender equality for both women and men will be applied. An adequate and gender-responsive communication strategy will be implemented to mainstream women and youth entrepreneurship, and sensitization workshops will be | The activities to involve E&S and gender experts in the project execution are ongoing. | No |

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| | | | organized. A full gender analysis was carried out, and its recommendations were incorporated into the project design. | | |
| 13 | Climate Change Risks | Low | The climate change it is not likely to have severe impacts on this project, with an exception for cleantech innovation dependent on biomass or water supplies. To safeguard against climate change risks, the screening of technologies to be supported by the GCIP Moldova will include an assessment of the climate risks with a time horizon of 30 years, and where a risk is identified, it will be necessary for the entrepreneur to propose suitable adaptation or management measures. The GIZ's Climate Expert Tool could be used as a tool for entrepreneurs in that context. | No risks have been identified so far. | No |
| 14 | Environmental Risks | Low | Some technologies that could be supported by the GCIP Moldova, such as the use of blockchain, could lead to major GHG emissions unless powered entirely by renewable energy. Similarly, technologies related to energy storage can have harmful environmental impacts if not managed effectively. Therefore, any cleantech innovation supported by the GCIP Moldova must meet strict environmental screening criteria. In addition, an Environmental and Social Management Plan (ESMP) was prepared (Annex P) to mitigate the environmental (and social) risks. | No risks have been identified so far. | No |
| 15 | Financing Risks – Inappropriate spending of funds | Low | Creation of separate consolidate funds where UNIDO will have access for monitoring. | No risks have been identified so far. | No |
| 16 | Technical expertise is not readily available due to the pandemic | Low | Necessary efforts will be made to identify alternative technical experts if required. Planning will be flexible enough to reschedule activities onsite that require specific expertise. | The risks are currently negligible. | No |
| 17 | Possible reinstatement of COVID-19 containment measures limits available capacity or effectiveness of project execution/ | Low | The capacity of stakeholders, especially the beneficiaries, for remote work and online interactions will be strengthened by securing access to commercially available conferencing systems. The current curriculum design for entrepreneurs is based on online | | No |

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| | | | interactions and deliverables, using webinars and web platforms. Therefore COVID-19 is not expected to pose a significant risk to the conduct of the acceleration cycles. | | |
| 18 | Some project supporters, co-financiers, or beneficiaries may need help to continue with project execution/implementation. | Low | The situation will be closely monitored to find alternate supporters or co-financiers or to readjust the list of beneficiaries if needed. | Investment mobilization is planned to be focused on multilateral and bilateral organizations. Further actions will be focused on synchronizing available financial resources and funding opportunities with multilateral and bilateral organizations. | No |
| 19 | Price increases for procurement of goods/services | High | The project team will undertake the necessary efforts to find alternative providers and ensure that competitive pricing is obtained. | There is a persisting inflation risk. | No |
| 20 | New business opportunities created in response to COVID-19-related restrictions and measures | Low | Response to COVID-19 restrictions, such as remote working arrangements and no-contact business modalities, will require solutions that can be turned into new business models. These opportunities will be analyzed nationally and shared with the GCIP Moldova entrepreneurs. Examples of former GCIP alumni responding to new business opportunities by providing innovative solutions during the pandemic are summarized here: https://www.unido.org/stories/cle-antech-innovators-take-covid-19 . | The risks are currently negligible | No |
| 21 | Financing Risks – the Ukraine conflict affected Moldova's financial system, negatively impacting the investment mobilization process | High | Alternative solutions to mobilize investments from the private sector and multilateral and bilateral organizations should be identified | Some financial institutions with the potential for investments were identified. Some meetings were planned for September, October, and November to discuss availability of finance | Yes |
| 22 | Financing Risks - The war in the neighborhood country, Ukraine, affected Moldova's economy, leading to a high banking interest rate of around 21%, which limited investment mobilization in renewable energy projects | High | Alternative solutions to mobilize investments from the private sector and multilateral and bilateral organizations should be identified | The interest rate increased to 21% in 2022 and slightly decreased to around 19% at the date of the PIR preparation. The banking sector put the loan of investment projects on hold. New sources of investment will be identified. | Yes |
| 23 | Financing risks - The changes in the structure of the | High | Alternative solutions for co-financing in kind and grant should be identified | Activities were initiated to identify new funding sources | Yes |

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| Agency for Energy Efficiency will lead to limited financing from the Agency | | | | |
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2. If the project received a **sub-optimal risk rating (H, S)** in the previous reporting period, please state the **actions taken** since then to mitigate the relevant risks and improve the related risk rating. Please also elaborate on reasons that may have impeded any of the sub-optimal risk ratings from improving in the current reporting cycle; please indicate actions planned for the next reporting cycle to remediate this.

The project received High risk rating in the previous fiscal year. Nonetheless, it is essential to note that risks identified in the previous year are mainly associated with institutional risk, which can be managed internally in close contact between PMU and the EEA's employers.

To mitigate financial risks in 2023, the PMU established contacts and cooperation with various potential investors.

The PMU is committed to continuously monitoring and evaluating risks, and appropriate actions are taken promptly if any potential risks are identified.

3. Please indicate any implication of the **COVID-19** pandemic on the progress of the project.

The pandemic has disrupted normal operations and introduced various challenges that have affected project activities and outputs.

One of the critical ways COVID-19 has affected project implementation is supply chain disruptions that have impacted the availability and delivery of project materials, equipment, and resources. The pandemic also affected the process of investment mobilization for renewable energy projects.

Furthermore, the pandemic has caused a shift in priorities for many organizations and governments, with a greater focus on public health and safety measures. As a result, some project activities have been deprioritized by the government to address the immediate needs arising from the COVID-19 crisis.

4. Please clarify if the project is facing delays and is expected to request an **extension**.

As of now, the project is not facing any delays in its implementation/execution, and it is expected that also in the future all project activities will be carried out according to the workplan. In spite of internal institutional changes at EEA, including the appointment of a new director, no delays have occurred in the execution of project activities so far. PMU worked on the project execution according to the workplan, in spite of not having contracts issued by the EEA.

The PMU has so far ensured transparency, accountability, and effective communication with relevant stakeholders by adhering to the established consultation and decision-making process and mitigating the impacts of delays efficiently.

No extension of the project completion date is currently requested.

5. Please provide the **main findings and recommendations of the completed MTR**, and elaborate on any actions taken toward the recommendations included in the report.

The project has not undergone a Mid-Term Review. Therefore, no specific outcome or report is available to summarize, and no specific actions have been taken to implement recommendations from such a review. By maintaining a proactive approach to project monitoring and evaluation, the PMU identifies emerging challenges, makes informed decisions, and takes appropriate actions to optimize project outcomes throughout its implementation, even without a formal Mid-Term Review.

IV. Environmental and Social Safeguards (ESS)

1. As part of the requirements for **projects from GEF-6 onwards**, and based on the screening as per the UNIDO Environmental and Social Safeguards Policies and Procedures (ESSPP), which category is the project?

Category A project

Category B project

Category C project

(By selecting Category C, I confirm that the E&S risks of the project have not escalated to Category A or B).

Please expand the table as needed.

| | E&S risk | Mitigation measures undertaken during the reporting period | Monitoring methods and procedures used in the reporting period |
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| (i) Risks identified in ESMP at the time of CEO Endorsement | Increasing GHG emissions from cleantech supported (e.g., blockchain, land use change) | Every application for support from the GCIP Moldova Accelerator and Post-Accelerator will be assessed against strict E&S screening criteria. An E&S expert will conduct the E&S assessment. Where necessary, the entrepreneurs will be offered guidance on maximizing the net positive impacts of their cleantech (i.e., to minimize the negative impacts and maximize the positive ones). In the case of negative impacts, mitigation measures will need to be proposed by the entrepreneurs. If the mitigation measures are assessed as insufficient by the E&S expert, the cleantech will not be supported by GCIP Moldova. Entrepreneurs could use the GIZ's Climate Expert Tool to assess the environmental impacts and explore mitigation options. | An E&S and gender expert are planned to be engaged in project execution. |
| | Unintended harmful environmental impacts from hazardous materials used in cleantech (e.g., due to mining, manufacturing, decommissioning of batteries/PV) | | |
| | Unintended pollution/waste disposal from cleantech supported. | | |
| | Entrepreneurs lack the capacity/awareness to properly identify and mitigate the E&S risks related to their cleantech. | | |
| | Cleantech innovations do not deliver the pledged impacts | Impact monitoring: there will be ongoing monitoring of impacts by entrepreneurs, and GCIP Moldova experts will verify the monitoring | An E&S and gender expert are planned to be engaged in project execution. |

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| | | results. | |
| | Entrepreneurs do not comply with national regulations on product safety, working conditions, and health and safety at the workplace. | Strict E&S screening criteria for cleantech will be applied. Every application accepted for the GCIP Moldova Accelerator and Post-Accelerator must meet strict E&S screening criteria, including requirements defined in national regulations. Experts (acquainted with national regulations) will provide entrepreneurs with relevant guidance throughout the project implementation. | An E&S and gender expert are planned to be engaged in project execution. |
| | Low participation rates of women and youth | Gender mainstreaming and social safeguarding will be applied. There will be gender-responsive communications activities, and outreach will target women and youth. Also, specific targets for women's participation will be set, and special prizes for women and youth will be considered. Details are provided in the Gender Analysis Report. | An E&S and gender expert are planned to be engaged in project execution. |
| | Increase in carbon emissions due to travel, meetings, training, and events | Advice and training will be provided to all stakeholders on how to minimize their carbon footprints. Also, the use of public transport will be promoted, and environmentally friendly venues will be selected. Where possible, physical meetings will be replaced with webinars. | |
| | Climate change risks that may affect the entrepreneurs supported | Strict E&S screening criteria for cleantech supported will be applied, including assessment of climate risks with a time horizon of 30 years. Every application for support from the GCIP Moldova Accelerator and Post-Accelerator will be assessed against strict E&S screening criteria, including e.g. possible impacts of climate change on the entrepreneurs, e.g. due to a reduction in bioenergy or water sources, logistic disturbances, increased utility prices and costs of insurance, etc. The entrepreneurs will be | An E&S and gender expert are planned to be engaged in project execution. |

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| | | supported in the development of appropriate climate change adaptation strategies for their businesses. | |
| (ii) New risks identified during project implementation (if not applicable, please insert 'NA' in each box) | n/a | | |

V. Stakeholder Engagement

1. Using the previous reporting period as a basis, please provide information on **progress, challenges and outcomes** regarding engagement of stakeholders in the project (based on the Stakeholder Engagement Plan or equivalent document submitted at CEO Endorsement/Approval).

During the previous reporting period, the project made progress in engaging stakeholders.

Progress: The project successfully identified and engaged with new stakeholders, such as Energy Community Secretariat, Startup Moldova, and Technovator. The project team utilized various communication channels, such as meetings, online communications, and consultations, to facilitate meaningful engagement and gather stakeholders' input.

One of the essential stakeholders identified in the reported period is the Energy Community Secretariat (Office in Moldova). This international organization brings together the European Union and its neighbors to create an integrated pan-European energy market. Two meetings were organized, and events (one workshop and one forum) were agreed to promote renewable energy. The events are planned to be organized in September / October of 2023.

Another important stakeholder is Startup Moldova, a key player in the local startup ecosystem. Currently, Startup Moldova covers the sectors of ICT and is willing to explore clean energy areas.

It was agreed to organize a forum on 14.07.2023, focused on the problems and solutions of the energy sector named "Energy Tech Forum - Powering Moldova." The National Coordinator of PMU, Nicolae Soloviov, will play the role of the moderator of the event. Also, the GCIP PMU will be responsible for identifying the keynote speakers and organizing the discussion panel.
(<https://www.facebook.com/media/set/?vanity=startupmd&set=a.655841883242089>)

The last important stakeholder identified in the reporting period is Technovator. It was agreed to organize a Hackathon on 9-10 September 2023 (<https://www.facebook.com/events/740999454483539/>). The Deeptech GigaHack Hackathon aims to identify the best ideas for ITC solutions for the energy sector.

Challenges: While progress was made in stakeholder engagement, challenges were encountered during the reporting period. These challenges included mainly prioritization of other activities and resource constraints.

Outcomes: Three new public events were planned for the following months. To organize the events, the new stakeholders will cover the organizational costs, and GCIP's contribution will be expertise and technical assistance.

It is important to note that stakeholder engagement is an ongoing process, and the project team continues to monitor and adapt engagement strategies based on evolving stakeholder needs and dynamics. Regular communication, responsiveness to stakeholder concerns, and a commitment to transparency and accountability are critical factors in maintaining positive stakeholder relationships throughout the project's lifecycle.

Some critical points to be mentioned in the Stakeholder Engagement:

In the previous structure of the Government of Moldova, the energy sector was managed by the Ministry of Infrastructure; after the reforming of the Government in the spring of 2023, the Ministry of Energy was created. A new State Secretary responsible for energy efficiency and renewable energy was appointed. It was agreed that the new State Secretary would be included in the structure of the Project Steering

Committee.

The Institute of Power Engineering also was under the reforming process from 2022 to 2023. Because of this, some consultations were taken in place with this stakeholder.

During the reform of both entities, the GCIP PMU was in continuous contact with their management to monitor the changes and identify if the reform would affect the project's activities. As a result it was assessed that no negative impact on GCIP execution is expected.

2. Please provide any feedback submitted by national counterparts, GEF OFP, co-financiers, and other partners/stakeholders of the project (e.g. private sector, CSOs, NGOs, etc.).

No relevant feedback has been received from national counterparts, except for the PSC. As a result, there is no specific feedback to summarize or provide at this time.

The PMU encourages and welcomes feedback from national counterparts, GEF OFP, co-financiers, and other partners and stakeholders such as the private sector, civil society organizations (CSOs), and non-governmental organizations (NGOs). The PMU understands that their input and perspectives can provide valuable insights and contribute to the project's success.

3. Please provide any **relevant stakeholder consultation** documents.

Annex: PSC meeting minutes and presentations

VI. Gender Mainstreaming

1. Using the previous reporting period as a basis, please report on the **progress achieved on implementing gender-responsive measures and using gender-sensitive indicators**, as documented at CEO Endorsement/Approval (in the project results framework, gender action plan or equivalent),.

During the reporting period, the project made progress in implementing gender-responsive measures and utilizing gender-sensitive indicators.

The project team incorporated gender considerations into all project activities, including planning, implementation, monitoring, and evaluation. The PMU consists of 50% men and 50% women. The team of National Consultants counts 57% women and 43% men.

The percentage of women attending the Pre-Accelerator phase (CLIMATHON 2023) event from 15-16 June 2023 was 30% (16 women and 36 men).

Annex: Climathon follow-up report

Annex: List of Participants Day 1 & Day 2 (a pool of 28 semi-finalists of GCIP Moldova 2023 call for proposals comprises 39% women, i.e. 11 women and 17 men).

Annex: Selection of the semi-finalists

The project actively engaged with key stakeholders, including women's groups, women-led organizations, and relevant gender-focused networks. The PSC representatives of the following stakeholders are women: the Ministry of Energy, the Ministry of Environment, Victoriabank, and Tekwill.

The project team regularly reviews and updates information considering that gender considerations remain a priority and that progress is sustained.

VII. Knowledge Management

1. Using the previous reporting period as a basis, please elaborate on any **knowledge management activities / products**, as documented at CEO Endorsement / Approval.

Knowledge management activities and products were not developed during the current reporting period because the national consultant on communication was not contracted as intended.

Without a contracted national consultant on communication, the activities required to develop and implement knowledge management activities have been limited.

By recognizing the importance of knowledge management and taking appropriate steps to address the need for a national consultant on communication, the project team still aims to capture and share valuable project knowledge.

The information about the project is disseminated through local media, such as TV, Radio, and online media.

Nicolae Soloviov, GCIP Moldova: Reglementările și politica sectorială pot fi restrictive sau limitatoare pentru antreprenori: <https://www.conday.md/nicolae-soloviov-gcip-moldova-reglementarile-si-politica-sectoriala-pot-fi-restrictive-sau-limitatoare-pentru-antreprenori/>

Emisiunea Obiectiv Comun https://fb.watch/lrNNyq5_ly/?mibextid=Nif5oz

“Spatiul Public” Dialogul Republica Moldova - Uniunea Europeană pe domeniul energiei
<https://www.facebook.com/watch/?v=1409049976513212>

See an annex titled: Knowledge Management Products

2. Please list any **relevant knowledge management mechanisms / tools** that the project has generated.

The project has yet to generate specific knowledge management mechanisms or tools during the reporting period at the national level. This lack of generation can be attributed to the absence of a national consultant on communication during the reporting period.

Nonetheless, the PMU recognizes the importance of knowledge management and explores alternative approaches to ensure that project-related knowledge is still captured and shared effectively. This can involve utilizing existing communication channels, fostering internal collaboration, leveraging project team expertise, or utilizing available digital platforms for information dissemination.

VIII. Implementation progress

1. Using the previous reporting period as a basis, please provide information on **progress, challenges and outcomes achieved/observed** with regards to project implementation.

The project implementation is on track.

The Project Executing Agreement (PEA) was duly signed. The Inception Report for Year 1, including the annual work plan, budget, and procurement plan, was prepared on time. The Project Management Unit (PMU) was established based on the Terms of References for National Project Technical Expert and Coordination and National Project Administration Assistant. The project was successfully launched, the Project Steering Committee (PSC) was established, and three meetings were held. Progress on respective components, outcomes, outputs, and activities is presented in Section II.

Due to internal restructuring within the EEA, some delays occurred in the public procurement and recruitment. Yet, they did not affect the project execution which is on track.

2. Please briefly elaborate on any **minor amendments**⁵ to the approved project that may have been introduced during the implementation period or indicate as not applicable (NA).

Please tick each category for which a change has occurred and provide a description of the change in the related textbox. You may attach supporting documentation, as appropriate.

⁵ As described in Annex 9 of the *GEF Project and Program Cycle Policy Guidelines*, **minor amendments** are changes to the project design or implementation that do not have significant impact on the project objectives or scope, or an increase of the GEF project financing up to 5%.

| | | |
|-------------------------------------|---|--|
| <input type="checkbox"/> | Results Framework | n/a |
| <input type="checkbox"/> | Components and Cost | n/a |
| <input type="checkbox"/> | Institutional and Implementation Arrangements | n/a |
| <input type="checkbox"/> | Financial Management | n/a |
| <input type="checkbox"/> | Implementation Schedule | n/a |
| <input type="checkbox"/> | Executing Entity | n/a |
| <input type="checkbox"/> | Executing Entity Category | n/a |
| <input type="checkbox"/> | Minor Project Objective Change | n/a |
| <input type="checkbox"/> | Safeguards | n/a |
| <input type="checkbox"/> | Risk Analysis | n/a |
| <input checked="" type="checkbox"/> | Increase of GEF Project Financing Up to 5% | Considering that co-financing from national sources is limited, PMU started negotiating co-financing from international sources. One of the conditions of the potential international donors is the provision of additional co-financing from other sources. |
| <input checked="" type="checkbox"/> | Co-Financing | The structure of the co-financing for the project should be changed. This is because investment mobilization cannot be achieved as planned by the Energy Efficiency Agency and the local banking sector. Also, the in-kind contribution of the Energy Efficiency Agency is expected to be reduced because of the changes in the structure of the Agency. |
| <input type="checkbox"/> | Location of Project Activities | n/a |
| <input type="checkbox"/> | Others | n/a |

3. Please provide progress related to the **financial implementation** of the project.

Please see an annex to the report.

IX. Work Plan and Budget

1. Please provide **an updated project work plan and budget** for the remaining project duration, as per the last approved project extension. Please expand/modify the table as needed.

Please see the Annex III. Work Plan and Budget to the report.

X. Synergies

1. **Synergies** achieved:

The GCIP Moldova seeks synergies with other projects by actively engaging with their implementing agencies to strengthen the local CIEE through knowledge sharing, networking, and mutually benefitting by offering complementing support services to innovative cleantech start-ups and SMEs.

Until now, a MoU with Tekwill was signed on July 26th, 2022. Tekwill has been designed as a national public-private partnership between the Government of Moldova, USAID, Microsoft, and IBM to support the development of the entrepreneurship ecosystem.

The parties, GCIP Moldova, EEA, and Tekwill, agreed to cooperate on the organization of public events, implement capacity-building programs, and conduct workshops focused on entrepreneurship and start-ups.

Tentative cooperation was agreed with Moldovan Technology Transfer Network (RTTM): a non-governmental, non-political, and non-profit organization from Moldova. RTTM aims to promote innovation and technological transfer in Moldova by creating and promoting an effective platform for interaction between the main interested parties and the organizations involved in this process. RTTM is also an Enterprise Europe Network partner in Moldova. The cooperation will focus mainly on the joint organization of Investor Connect and the Gala event (GCIP Award Ceremony / Moldova Eco Energetica).

3. Stories to be shared (Optional)

n/a

XI. GEO LOCATION INFORMATION

The Location Name, Latitude and Longitude are required fields insofar as an Agency chooses to enter a project location under the set format. The Geo Name ID is required in instances where the location is not exact, such as in the case of a city, as opposed to the exact site of a physical infrastructure. The Location & Activity Description fields are optional. Project longitude and latitude must follow the Decimal Degrees WGS84 format and Agencies are encouraged to use at least four decimal points for greater accuracy. Users may add as many locations as appropriate.

Web mapping applications such as [OpenStreetMap](https://www.openstreetmap.org/) or [GeoNames](https://www.geonames.org/) use this format. Consider using a conversion tool as needed, such as: <https://coordinates-converter.com>

Please see the Geocoding User Guide by clicking [here](#)

| Location Name | Latitude | Longitude | Geo Name ID | Location and Activity Description |
|---------------|----------|-----------|-------------|--|
| Chisinau | 47.00556 | 28.8575 | 618426 | Main project activities (Pre-Accelerator, Accelerator, Post-Accelerator, Advanced Accelerator) |

Please provide any further geo-referenced information and map where the project interventions is taking place as appropriate.

GCIP Moldova:
location of
main project
activities/events



EXPLANATORY NOTE

1. **Timing & duration:** Each report covers a six-month period, i.e. 1 July 20xx – 31 December 20xx or 1 January 20xx - 30 June 20xx.
2. **Responsibility:** The responsibility for preparing the report lies with the National Project Management Unit in consultation with the National Project Execution Entity and the UNIDO Project manager at HQ Vienna.
3. **Evaluation:** For the report to be used effectively as a tool for self-evaluation, project counterparts need to be fully involved.
4. **Results-based management:** The project progress reports are required by the RBM programme component focal points at Vienna HQ to obtain information on outcomes observed.

| Global Environmental Objectives (GEOs) / Development Objectives (DOs) ratings | |
|---|---|
| Highly Satisfactory (HS) | Project is expected to achieve or exceed <u>all</u> its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as "good practice". |
| Satisfactory (S) | Project is expected to <u>achieve most</u> of its <u>major</u> global environmental objectives, and yields satisfactory global environmental benefits, with only minor shortcomings. |
| Moderately Satisfactory (MS) | Project is expected to <u>achieve most</u> of its major <u>relevant</u> objectives but with either significant shortcomings or modes overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environmental benefits. |
| Moderately Unsatisfactory (MU) | Project is expected to achieve <u>some</u> of its major global environmental objectives with major shortcomings or is expected to <u>achieve only some</u> of its major global environmental objectives. |
| Unsatisfactory (U) | Project is expected <u>not</u> to achieve <u>most</u> of its major global environmental objectives or to yield any satisfactory global environmental benefits. |
| Highly Unsatisfactory (HU) | The project has failed to achieve, and is not expected to achieve, <u>any</u> of its major global environmental objectives with no worthwhile benefits. |

| Implementation Progress (IP) | |
|---------------------------------------|---|
| Highly Satisfactory (HS) | Implementation of <u>all</u> components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as "good practice". |
| Satisfactory (S) | Implementation of <u>most</u> components is in substantial compliance with the original/formally revised plan except for only few that are subject to remedial action. |
| Moderately Satisfactory (MS) | Implementation of <u>some</u> components is in substantial compliance with the original/formally revised plan with some components requiring remedial action. |
| Moderately Unsatisfactory (MU) | Implementation of <u>some</u> components is <u>not</u> in substantial compliance with the original/formally revised plan with most components requiring remedial action. |
| Unsatisfactory (U) | Implementation of <u>most</u> components in <u>not</u> in substantial compliance with the original/formally revised plan. |
| Highly Unsatisfactory (HU) | Implementation of <u>none</u> of the components is in substantial compliance with the original/formally revised plan. |

| Risk ratings | |
|--|---|
| Risk ratings will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risk of projects should be rated on the following scale: | |
| High Risk (H) | There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks. |
| Substantial Risk (S) | There is a probability of between 51% and 75% that assumptions may fail to hold or materialize, and/or the project may face substantial risks. |
| Moderate Risk (M) | There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/or the project may face only moderate risk. |
| Low Risk (L) | There is a probability of up to 25% that assumptions may fail to hold or materialize, and/or the project may face only low risks. |

