



Project Implementation Report

(1 July 2021 – 30 June 2022)

Project Title:	The Global Cleantech Innovation Programme for SMEs in Ukraine
GEF ID:	9811
UNIDO ID:	160246
GEF Replenishment Cycle:	GEF-6
Country(ies):	Ukraine
Region:	ECA - Europe and Central Asia
GEF Focal Area:	Climate Change Mitigation (CCM)
Integrated Approach Pilot (IAP) Programs¹:	Not applicable
Stand-alone / Child Project:	The Global Cleantech Innovation Programme
Implementing Department/Division:	ENE / CTI
Co-Implementing Agency:	Not applicable
Executing Agency(ies):	Ministry of Ecology and Natural Resources of Ukraine, Ministry of Economy of Ukraine, State Finance Institution for Innovation, Ministry for Strategic Industries of Ukraine
Project Type:	Medium-Sized Project (MSP)
Project Duration:	36 months
Extension(s):	One (1)
GEF Project Financing:	USD 1,502,875
Agency Fee:	USD 142,773
Co-financing Amount:	USD 12,200,000
Date of CEO Endorsement/Approval:	10/17/2018
UNIDO Approval Date:	11/22/2018
Actual Implementation Start:	11/28/2018
Cumulative disbursement as of 30 June 2022:	1.405,319.01
Mid-term Review (MTR) Date:	1/9/2021
Original Project Completion Date:	11/28/2021
Project Completion Date as reported in FY21:	11/28/2021
Current SAP Completion Date:	11/30/2022
Expected Project Completion Date:	5/30/2023 There is a plan to request an extension for the project duration (6

¹ Only for GEF-6 projects, if applicable

	months).
Expected Terminal Evaluation (TE) Date:	4/30/2023
Expected Financial Closure Date:	5/30/2023
UNIDO Project Manager²:	Ms. Olga Rataj, Associate Industrial Development Officer, EAE/ENE/CTI

I. Brief description of project and status overview

Project Objective		
<p>The UNIDO/GEF Project "Global Cleantech Innovation Program for Small and Medium Enterprises in Ukraine" (GCIP Ukraine) is part of a global initiative to promote innovative technologies and create an ecosystem to support innovative entrepreneurship.</p> <p>Global Cleantech Innovation Programme (GCIP) - facilitates the development of a low carbon economy and entrepreneurship by supporting the implementation of innovative clean technologies at small and medium enterprises and startups by disseminating the necessary techniques and tools to improve productivity and competitiveness. The Project focuses on enhancing cleantech innovation and entrepreneurship sustainability in Ukraine. It leads to a long-lasting transformative change in the domestic innovation ecosystem by catalyzing investments and international partnerships to support the country's climate-resilient and low-carbon development.</p> <p>The project consists of four main components that are consistent with the Sustainable Development Goals, national policy priorities, and the GEF, namely: (1) National cleantech platform to promote clean technology innovations for global environmental benefits and green jobs in Ukraine; (2) Building national capacity to support and promote clean energy technology innovations; (3) Policy and regulatory framework strengthened for a national cleantech innovation and entrepreneurship ecosystem; and (4) Monitoring and Evaluation.</p> <p>Project core indicators:</p>		
Project Core Indicators		Expected at Endorsement/Approval stage
6	Greenhouse Gas Emissions Mitigated (metric tons of CO₂e)	6,323,626.72 (Tons)
	Expected CO ₂ e (direct)	2,432,123.62
	Expected CO ₂ e (indirect)	3,891,503.10
6.2	Emissions avoided	
	Expected CO ₂ e (direct)	2,432,123.62
	Expected CO ₂ e (indirect)	3,891,503.10
	Anticipated Year	2028
11	Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment	720
	Female	290
	Male	430

² Person responsible for report content

Baseline

The overall environment for entrepreneurship in Ukraine has many challenges; however, some entrepreneurs are succeeding in building globally successful ventures. Ukraine has improved processes for business formation, but licensing, permits, taxes, and corruption remain significant problems. Ukraine's industrial structure has many non-competitive state-owned enterprises (SOEs), with a small but promising group of innovative entrepreneurial companies focused on international markets.

Over 200 innovation programmes that were officially entitled to state financing were launched between 1998 - 2010. However, more than half have not received funding due to a lack of corresponding procedures during the parliamentary approval phase and the rigidities of state budgeting.

Thorough analyses were made about Ukraine's existing policies and laws related to entrepreneurship, SMEs, and innovation. It is also to be said that an excellent regulatory framework is available; nevertheless, no explicit reference is made to the promotion of cleantech innovation.

Several international cooperation programs are being implemented in Ukraine in innovation, entrepreneurship, and SME development. UNIDO has played an important role in strengthening the national competencies in disseminating cleaner technologies practices in the industry, particularly among small businesses, through several technical assistance programs.

GCIP Ukraine project will build on lessons learned from similar initiatives that UNIDO has successfully implemented with the financial support of GEF in South Africa, Malaysia, Armenia, Morocco, Pakistan, and Thailand. The GCIP approach and methodologies will build on the existing policies, established platforms, and local experience and will go a step further by focusing on innovative SMEs through an eco-system approach that will involve identifying start-ups and nurturing, mentoring, and incentivizing technological innovation to promote clean energy technologies and systems in selected SME clusters.

Please refer to the explanatory note at the end of the document and select corresponding ratings for the current reporting period, i.e. FY22. Please also provide a short justification for the selected ratings for FY22.

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. FY21, in the last column.

Overall Ratings ⁴	FY22	FY21
Global Environmental Objectives (GEOs) / Development Objectives (DOs) Rating	Moderately Satisfactory (MS)	Satisfactory (S)
The GEOs/DOs rating has changed to MS FY22 from S FY21. The change in the rating is linked to the disturbance in project implementation activities and increased difficulties in monitoring the project's GEOs and DOs due to the ongoing war in Ukraine.		
Implementation Progress (IP) Rating	Unsatisfactory (U)	Satisfactory (S)

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

The IP rating has changed to U FY22 from S FY21. The change in the rating is linked to the disturbance in project implementation activities due to the ongoing war in Ukraine. The Implementation of most components is not in substantial compliance with the original/formally revised plan.

Overall **Risk Rating**

Substantial Risk (S)

Low Risk (L)

The overall risk rating has changed to S FY22 from L FY21. The change in the rating is linked to the disturbance in project implementation activities. 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 due to the ongoing war in Ukraine.

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 fill in the below table or make a reference to any supporting documents that may be submitted as annexes to this report.

Project Strategy	KPIs/Indicators	Baseline	Target level	Progress in FY22
Component 1 – National platform to promote clean technology innovations for global environmental benefits and green jobs in Ukraine				
Outcome 1.1: National level platform/coordinating mechanism established to promote clean energy technology innovations and entrepreneurship	National Cleantech Platform/coordinating mechanism for SMEs and Startups established; Number of new clean energy technologies or innovative businesses created/accredited.	No dedicated platform for clean energy technology and SMEs; Baseline value not available.	Establishment of National Cleantech Platform/ coordinating mechanism such as online tools and office to support for SMEs and Startups; At least 4 new clean technologies or innovative businesses per Cleantech competition during and after project implementation period.	No progress in FY22 due to the ongoing war in Ukraine.
Output 1.1.1. GCIP Ukraine platform established, 3 annual Cleantech Accelerator conducted across selected SME clusters	GCIP platform established Number of methodologies and guidelines for the competition developed; Number of competition entries, number of semi-finalists and finalists etc.;	No dedicated platform for clean energy technology and SMEs; Baseline value not available.	Specific methodologies and guidelines (gender-responsive) for participation in and execution of the competition and Accelerator program developed; At least 20 entrants per category competition in Year 1 (target of 40% women participants) and at least 30 entrants per category competition in Year 2 onwards (target of 40% women participants/mentors/judges);	The project has launched the first training module for the 4th wave of the acceleration programme. The training is planned to be held virtually between July 19th and 22nd, 2022.

Output 1.1.2. GCIP community and network maintained	The number of GCIP community identified and maintained	Baseline is assumed to be zero	At least 6 GCIP communities identified.	No progress in FY22 due to the ongoing war in Ukraine.
Outcome 1.2: Clean technology entrepreneurs identified, coached and promoted during and beyond the GCIP Accelerator	National Cleantech Platform/coordinating mechanism for SMEs and Startups established; Number of new clean energy technologies or innovative businesses created/accredited.	No dedicated platform for clean energy technology and SMEs; Baseline value not available	Establishment of National Cleantech Platform/ coordinating mechanism such as online tools and office to support for SMEs and Startups; At least 4 new clean technologies or innovative businesses per Cleantech competition during and after project implementation period.	No progress in FY22 due to the ongoing war in Ukraine.
Output 1.2.1. Post-Accelerator support provided for start-ups and SMEs to access to finance and market entry	Number of SMEs and Startups trained on product development and market entry; Number of investors/ funding mechanism identified.	No dedicated similar support programmes reported - baseline is assumed to be zero;	At least 60 SMEs and Startups receive training on product development and market entry (with at least 40% being women); At least 6 investors identified.	No progress in FY22 due to the ongoing war in Ukraine.
Component 2 – Building national capacity for the support and promotion of clean technology innovations				
Outcome 2.1: National institutional capacity built to support and organize the Cleantech competition and accelerator during and beyond project duration	Number of new clean energy technologies or innovative businesses created/accredited.	Baseline value not available.	Development and implementation of an accelerator programme with generalist and specialized mentors and judges identified and trained	No progress in FY22 due to the ongoing war in Ukraine.
Output 2.1.1: Capacity building of national institutions and industrial associations to host support and sustain the GCIP, and 15 mentors and 10 judges identified and trained.	Number of SMEs and Startups trained on product development and market entry; Number of mentors/judges trained	No dedicated similar training reported - baseline is assumed to be zero; No training program for mentors/judges reported.	At least 15-20 SMEs and/or startups trained per cycle; At least 15 mentors and 10 judges trained;	No progress in FY22 due to the ongoing war in Ukraine.
Output 2.1.2.: Impact monitoring, advocacy and Promotion.	Annual Innovation Conference held, GCIP platform established	No states/regions and SME clusters identified yet.	At least 1 publication published annually and 1 GCIP platform established.	No progress in FY22 due to the ongoing war in Ukraine.
Component 3 – Policy and regulatory framework strengthened for national Cleantech innovation and entrepreneurship ecosystem				
Outcome 3.1: Policy and Institutional framework strengthened to promote and support clean technology innovations in startups and SMEs.	Extent to which existing policies and regulations are amended or effectively implemented.	A score between 0 and 4, will be given to assess these policies (0 is poor and 4 is optimal).	A score of 2 or 3.	No progress in FY22 due to the ongoing war in Ukraine.
Output 3.1.1: Policy analysis report on best practice policies, regulations and incentives required for the promotion of clean	Policies, regulations and programs amended or developed to create more supportive	Current policy and institutional frameworks not focused on clean	Assessment of existing relevant policies and economic sectors requiring support for	No progress in FY22 due to the ongoing war in Ukraine.

technology innovations developed	environment for clean energy technology innovations in/by SMEs	energy technology innovations.	promotion of Cleantech; Policy assessment report including stakeholder mapping for Cleantech in Ukraine developed.	
Output 3.1.2: Policy recommendations on how to enhance the clean technology innovation and entrepreneurship ecosystems developed and roadmap in place		No dedicated roadmap available.	Roadmap available to highlight necessary improvements of policy framework on cleantech innovations; monitor its implementation progress by PMU	No progress in FY22 due to the ongoing war in Ukraine.
Output 3.1.3: National institutional capacity strengthened for sustainability	Number of subnational cleantech stakeholder meetings held	No dedicated similar capacity programme reported - baseline is assumed to be zero	50 staff from partner and national institutions receive training on competition organization (with at least 40% being women); At least 3 stakeholder meetings held (at least 30% women participants) in 3 years	No progress in FY22 due to the ongoing war in Ukraine.
Component 4 – Monitoring and Evaluation (M&E)				
Outcome 4.1: Adequate monitoring of all project indicators together with regular evaluations to ensure successful project implementation	Progress reports and project implementation report (PIR)	No monitoring system in place to track all project indicators	4 quarterly progress reports and 1 annual PIR	<ul style="list-style-type: none"> The MTR is conducted, and the final report was submitted in August 2021. 1st quarter report FY22 is developed in April 2022.
Output 4.1.1: Terminal project evaluation conducted	Achievement of project targets and improvement in gender mainstreaming	No evaluation system in place to monitor and track project achievements	Independent terminal evaluation to capture the impact and sustainability of the programme	No progress in FY22 due to the ongoing war in Ukraine. The project is ending on 30 November 2022. Given the current situation, it's highly unexpected to conduct the Terminal Evaluation of the project during the year 2022. The PMU will seek guidance from the GEF regarding the continues implementation of the project.
Output 4.1.2.: Documentation of lessons learned and best practices from pilot experience and dissemination	Terminal evaluation report, leaflets/brochures and case study	No documentation system in place to share the lesson learned and best practices from the programme	1 Terminal evaluation report, at least 2 leaflets/brochures and case study each	No progress in FY22 due to the ongoing war in Ukraine.

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.

Describe in tabular form the risks observed and priority mitigation activities undertaken during the reporting period in line with the project document. Note that risks, risk level and mitigations measures should be consistent with the ones identified in the CEO Endorsement/Approval document. Please also consider the

project's ability to adopt the adaptive management approach in remediating any of the risks that had been sub-optimally rated (H, S) in the previous reporting cycle.

	(i) Risks at CEO stage	(i) Risk level FY 21	(i) Risk level FY 22	(i) Mitigation measures	(ii) Progress to-date	New defined risk ⁵
1	Institutional risk (Lack of capable and relevant institutional partners for project execution and sustainability)	L	L	<p>During the first 6 months of project implementation and based on the capacity assessment of the PPG phase, UNIDO will directly involve the key relevant institutions and partners of the project to establish working relations and collaboration. UNIDO will also ensure that such key institutions and partners will be closely engaged in the project implementation process. Furthermore, the project will draw from expertise and long-standing experience from methodologies and tools of the GCIP partner's network.</p> <p>Additionally, efforts will be made to embed in the capacity building activities principles and instruments from quality management system based on ISO 9001:2015. To ensure that the three tiers cooperation for cleantech innovation is embedded in the Ukrainian Institutional Management Culture.</p> <p>The project will work with Ukrainian institutions that have some or substantial experience in setting-up and operating technology competitions or competitive grant funding programs.</p>	<p>During the 2,5 years of project implementation, the following key relevant institutions and partners of the project to establish working relations and collaboration were involved:</p> <ul style="list-style-type: none"> • Ministry of Ecology and Natural Resources of Ukraine, • Ministry of Economy of Ukraine, • State Finance Institution for Innovation, • Ministry for Strategic Industries of Ukraine, • State Agency of Energy Efficiency and Energy Saving of Ukraine; <p>The project collaborate with, at least, 32 Universities, business incubators, science parks, business associations and accelerators. Additionally, 5 pilot cleantech accelerators in Kherson, Mykolaiv, Ivano-Frankivsk, Sumy and Slovyansk cities were established to extend the impact reach.</p>	<input type="checkbox"/>
2	Market risk (Lack of interest by the public and industrial associations in participating in the Cleantech competition and Accelerator programme as entrepreneurs and mentors, resulting in limited participation, or entries with low quality, especially in the first years)	L	L	<p>Proper communication programs will be prepared and implemented with adequate resources allocated to ensure effective and widespread communication of the Cleantech program; tailored workshops will be carried out to support this.</p> <p>Effective support will be provided to innovative SMEs/entrants. User-friendly entry forms will be prepared. Mentors will be identified through stringent selection criteria and an assessment of their ownership of the competition shall be determined at an early stage. Partnerships with the GCPI network and with Innovation programs in EU will be firmly pursued.</p>	<p>The effective work of the PMU with the startup society of Ukraine, inventors, state partners and national universities contributed to the effective involvement of startup teams in the competition of startup clients. The following tools were used as mitigation measures for the market risk:</p> <ul style="list-style-type: none"> • The website of project was designed, and there is publishing an information and news of project activities (https://gcipukraine.com); • A YouTube channel (GCIP Ukraine), Facebook and Twitter pages (Cleantech Ukraine) were created and started; • 17 mentors, 3 international and 4 national trainers were involved in the project activities' implementation; • Six (6) training modules on entrepreneurship and business were developed; • Guideline for judges and mentors were developed; and 	<input type="checkbox"/>

⁵ New risk added in reporting period. Check only if applicable.

					<ul style="list-style-type: none"> Five (5) pilot regional Cleantech accelerators in Kherson, Mykolaiv, Slovyansk, Ivano-Frankivsk and Sumy established. 	
3	Financing risks (Incentive and financial support system are insufficient)	M	M	<p>According to the IMF, in 2017 the country recorded a 2% GDP growth and a 12% annual inflation rate. Estimates for 2018 forecast a 3.2% growth and 10% inflation. On the other hand, public debt increased to 86.2% of GDP in 2017, from 81, 2% in 2016. Considering challenging economic situation and potential financial risks in the country, project would seek to explore international investments and funds, such as North Capital Holding Group, Bleyzer Foundation and others</p> <p>In addition, an active articulation with global and EU financial partners of the Global GCIP network will be pursued as well with new partnerships with European institutions and synergies with EU ongoing programs such as HORIZON 2020.</p> <p>Moreover, the project will promote the access of the GCIP Accelerator semi-finalists and finalists to government-funded support programs and initiatives for SME development and technology modernization and innovation.</p>	<p>The project promotes access to government-funded support programs and initiatives for SME development and technology modernization and innovation, international venture funds, Ukrainian banking institutions GCIP to semi-finalists, finalists and winners of regional accelerators.</p> <p>A certain limitation of attracting funding is the lack of prototypes for most teams. For this reason, the project is providing grant supports to qualified startups to support prototype development; thus, facilitating access to finance.</p>	<input type="checkbox"/>
4	Climate change risks	L	L	<p>There is no climate change risk foreseen for the achievement of the project's objectives; this will be further assessed in the ESS analysis and an ESMP</p>	<p>There is no climate change risk at this moment.</p>	<input type="checkbox"/>
5	Social and gender risk There could be a risk of resistance against the involvement of women or activities that promote gender equality and empowerment of women or there could be a lack of interest in, the project activities from stakeholders, especially with regard to the active promotion of gender equality. Low participation rates of suitable female candidates due to lack of interest, inadequate project activity or missing qualified female population within engineering sector.	L	L	<p>To mitigate this risk the project will pursue thorough and gender-responsive communication showing the benefits of gender equality for both women and men, and ensure stakeholder involvement at all levels, with special regard to involving women and men, as well as CSOs and NGOs, and gender experts. This shall mitigate social and gender-related risks, promote gender equality, create a culture of mutual acceptance and understanding, and maximize the potential contribution of the project to improving gender equality in the energy field.</p> <p>To attract qualified female candidates to the project, adequate and gender-responsive communication strategy will be carried out by reaching out to women's groups and creating partnerships with women associations like the Ukrainian Women in Business. This will enable to promote the GCIP activities with flexible tailored actions among women entrepreneurs and innovators.</p>	<ul style="list-style-type: none"> 60% of the PMU are women; The percentage of women participation as mentors and trainers are 53% and 50%, respectively; 33% of the project experts are women for judging projects under the GCIP Accelerator; and In the project were involved about 30% of the GCIP Accelerator programme are women. 	<input type="checkbox"/>

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 risk FY 22 is significantly higher than the risks identified during CEO endorsement and previous reporting due to the ongoing war in Ukraine. These risks are associated with the safety of the project personnel, assets, and the ability to have measurable impact. As a response, Most project activities have been paused, and waiting for further guidance from GEF.

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

The outbreak of COVID-19 has affected the project implementation. In response, the project developed a mechanism for further implementation of the training program online for the semi-finalists of the GCIP Ukraine competition and universities staff. Distance learning opportunities were explored, and the curriculums for GCIP Ukraine Business Academy and training for universities were adapted.

All consultation and meeting with potential participants of GCIP Ukraine Accelerator, stakeholders, partners were conducted via online platforms.

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

The project is facing implementation delays due to the ongoing war in Ukraine. Most activities have been paused given the operational risks on PMU and assets. It is planned to request an extension for the project to introduce remedial measures, continue with the remaining activities' implementation, and conduct the terminal evaluation. The extension request time and duration are not yet clear given the current ongoing situation in Ukraine; therefore, UNIDO will seek guidance from the GEF.

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

The project has finalized the MTR in August 2021. The summary of the MTR findings, recommendations and actions can be seen in the below table:

<u>Findings</u>	<u>Recommendations</u>	<u>Actions taken</u>
There has been good progress in implementation of the project at the time of the Mid-Term Review, though the Pandemic and some other issues such as change in Project Manager in Vienna and some early communication issues have caused delays in implementation.	Extension of the project duration by 6-12 months so that the project results can be achieved as planned.	The project was extended 1-year, to end on 30 November 2022.
Some of the documents produced as an output of the project were not aligned with the logframe outputs and targets, making it difficult to use them as means of verification of results.	Documentation needs to be improved, particularly to streamline the documents based on targets and means of verification as described in the logframe.	All documents have been reviewed to streamline it based on the defined deliverables.

There is a potential for delays in project completion and budget overrun/underspend if the post-accelerator support for early-stage start-ups is not well managed.	Post-Accelerator support of product/prototype development must be managed with close monitoring of time and expenses.	The project team has revised the project workplan and budget as part of the extension process of the project to ensure the project's financial effectiveness.
It will be difficult for the project to achieve its required outputs within the current timeline, and the current end date of 30 November 2021.	Extension of the project duration by 6-12 months so that the project results can be achieved as planned.	The project was extended 1-year, to end on 30 November 2022.

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).

Notes on new risks:

- *If new risks have been identified during implementation due to changes in, i.e. project design or context, these should also be listed in (ii) below.*
- *If these new/additional risks are related to Operational Safeguards #2, 3, 5, 6, or 8, please consult with UNIDO GEF Coordination to discuss next steps.*
- *Please refer to the UNIDO [Environmental and Social Safeguards Policies and Procedures \(ESSPP\)](#) on how to report on E&S issues.*

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
(i) Risks identified in ESMP at time of CEO Endorsement	NA	NA	NA
(ii) New risks identified during project implementation (if not applicable, please insert 'NA' in each box)	NA	NA	NA

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).

The Project cooperates with significant partners, including the Ministry of Ecology and Natural Resources of Ukraine, the Ministry of Economy of Ukraine, State Finance Institution for Innovation. Considering that the Government of Ukraine established the Ministry for Strategic Industries of Ukraine and assigned it the responsibility of coordinating work with UNIDO, the Project established effective and constructive cooperation with the Ministry for Strategic Industries of Ukraine during the reporting period.

The Project involves key stakeholders in conducting the annual accelerator; in particular, stakeholder representatives are mentors, national trainers, and judges. To do this, the Project has developed an appropriate program for their training, specific methodologies, and guidelines.

For capacity building of national institutions, the Project conducts training for 32 Ukrainian universities on creating and managing business incubators. In addition, on a base of 5 universities in the regions of Ukraine Kherson National Technical University (Kherson city), Donbas State Pedagogical University (Slavyansk town), Petro Mohyla Black Sea National University (Mykolaiv city), Vasyl Stefanyk Precarpathian National University (Ivano-Frankivsk city), Sumy State University (Sumy city) the 5-pilot regional cleantech accelerators GCIP Ukraine were established and started their work. The universities signed contracts with UNIDO to create a pilot regional cleantech accelerator GCIP Ukraine.

Currently, as part of the project activity are in the stage of creation: Centre for Support of Innovation and Technology at the basis of National Academy of Sciences of Ukraine and Startup and Innovation Projects Development Centre GCIP Ukraine.

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

In a letter addressed to UNIDO's Director General, Mr. Li Yong dated 10.02.2021, the Prime Minister of the Ministry for Strategic Industries of Ukraine, Mr. Oleg Uruskiy, thanked Mr. Carlos Chanduvi-Suarez and the National Project Coordinator, GCIP Ukraine on the successful implementation of the Project.

The Project Steering Committee Members, during the 4th meeting, which took place on January 26, 2021, unanimously noted positive results of the project implementation, which in their opinion, shows the qualified work of the project team. Therefore, they thank Mr. Igor Kyrylchuk, National Coordinator of UNIDO/GEF Project, the Project Team, and Mr. Carlos Chanduvi-Suarez, Senior Coordinator, UNIDO, for their hard work project's successful implementation.

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

The latest Project Steering Committee minutes is attached – Annex 1.

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),.

GCIP Ukraine pays considerable attention to supporting and engaging women in business. Thus, among the participants of the 2nd and 3rd waves of the Acceleration Program, GCIP Ukraine involved about 30% of women of GCIP Acceleration program participants, 53% of mentors, 60% of trainers, and 33% of experts in judging projects of GCIP Accelerator are women. Besides, 60% of women work in the PMU of GCIP Ukraine. Also, to promote gender equality and women's empowerment within the framework of the GCIP Ukraine, Project established the contacts with the Institute for partnership and development,

particularly with its projects Inspiring women and Women's business, as well as with the Women entrepreneurship club "Lean In" were established. The Project created the GCIP Ukraine Women Network, and there is also an award for women entrepreneurs.

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.

Building on the lessons learned and requests received, UNIDO is currently designing a global platform that will allow knowledge management and coordination more systematically. This platform will strengthen the knowledge management component and facilitate South-South and North-South collaboration in policies, structures, and frameworks promoting innovations in sustainable energy, water, and waste management, through captured by the interaction between the respective Project Steering Committees and PMUs and national counterparts in each of the GCIP partner countries. Lessons learned and insights gained from conducting GCIP Ukraine will be documented and shared among national stakeholders and with international partners.

The project team is constantly improving its competencies through attending specialized training, webinars, and internships. The project team also mastered the methods of remote work, in particular through such platforms as Skype, Zoom, Microsoft Teams, BlueJeans, Webex, and Google Meet.

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

Taking into account that the Project reporting period coincided with the global pandemic of COVID-19 and lockdown, the Project has successfully implemented a mechanism of online work and learning, using communication online tools.

The previously created project website is also used effectively (<https://gcupkraine.com/>), acting as a platform where program information, challenges, lessons learned, and success stories are shared. The online platform is an important tool for the NPC to the participants' collect data, judges, and mentors, to foster continuous knowledge exchanges in the GCIP community and to archive all project deliverables. Moreover, it facilitates the registration of participants, the training delivery and the matchmaking between alumni, investors, judges, mentors, etc.

Additional online tools used by the project team to exchange and disseminate knowledge and information are:

- Facebook (https://www.facebook.com/CleantechUkraine/?eid=ARA70E3tH-mxzOclR61_cFStcyFoflqm3fyxzRkB9oLL-VshYtpoKEEUJjSgB58LexHE2JiWLFiSLn7);
- Twitter (https://twitter.com/GCIP_Ukraine) and Telegram channel (GCIP Ukraine), Telegram channel (CleanTech Ukraine); and
- YouTube channel (GCIP Ukraine) (https://www.youtube.com/channel/UCcx00gU_rSqJ2hQRafma5MQ?view_as=subscriber).

In the framework of knowledge and information sharing, seven (7) training manuals were developed for further implementation in the learning process. Also, the GCIP Ukraine Project brochure (2nd version) was developed, in addition to 45 articles on GCIP Ukraine activities published in mass media. More than 255 publications on GCIP Ukraine activities published on social pages of the project, project partners and startups.

Moreover, the project video interviewed the founders and the project team of Uf.Bee and BIOC projects to create videos and high-quality photos of the above startups for further branding purposes use.

Cleantech news are posted on the project's website and social pages. Information about UNIDO's key achievements in Ukraine published in the UNDAF Ukraine 2020 report for the UNRCO (suitable verifiable indicators/targets that have been achieved in 2020 under GCIP Ukraine projects at the output level and higher). Project prepared the materials and data on measurable and SDG-related results of the Cleantech Ukraine (as well as some pictures and/or infographics) to the UNECE SDG report.

All knowledge management materials are gender mainstreamed.

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.

As of today, four waves of the competitions have been conducted. During the 2nd wave of startup-projects competition, 80 applications were received, of which 23 were selected by the jury for the semifinals to go through GCIP Ukraine Business Academy. As a result, one National Winner, 2nd and 3rd place winners, and five special nominations which answer to the UN STG, 19 finalists were chosen during the 2nd wave of Accelerator Program GCIP Ukraine. The five special nominations which are specified during the 2nd wave of the Acceleration Program were: "Medicine for Sustainable Development", "Best Women's Project", "Clean Water", "The best project in Bioenergy", and "Technological breakthrough".

During the 3rd wave of startup-projects competition, 66 applications were received, of which the jury selected 28 for the semifinals to go through GCIP Ukraine Business Academy. As a result, one National Winner, seven special nominations which answer the UN SDG, and 22 finalists were chosen during the 3rd wave of Accelerator Program GCIP Ukraine. The seven special nominations which are specified during the 3rd wave of Acceleration Programme GCIP Ukraine are as follows: "Creative Approach to the Problem of Rational Use of Resources", "Women's Leadership", "Circular Economy", "Global Impact on the Development of the World Economy", "Technological Breakthrough", "Waste Disposal Solutions", "Socio-Ecological Project". In cooperation with the OSCE Project: a special nomination for projects related to adaptation to climate change, environment, and water management in the Dniester basin was determined.

During the 4th wave of startup-projects competition, 64 applications were received. The four-wave training modules are planned to take place between 19th July 2022 and 5th August 2022 for the selected startups.

During the 2nd and 3rd waves of Business Academy, our semi-finalists, with the help of international and national business consultants and experts, have been learning the basics of entrepreneurship, marketing, presentation and pitch development, intellectual property, and investment.

In order to national capacity building, the project provided support to 5 universities in the creation of pilot regional cleantech accelerators, namely Kherson National Technical University (Kherson city), Donbas State Pedagogical University (Slyviansk town), Petro Mohyla Black Sea National University (Mykolaiv city), Vasyl Stefanyk Precarpathian National University (Ivano-Frankivsk city), Sumy State University (Sumy city) were opened. Universities signed contracts with UNIDO for the creation of 5 pilot regional cleantech accelerators GCIP Ukraine and started their work. The Center for Support of Innovation and Technology at the basis of the National Academy of Sciences of Ukraine is at the preparation and opening stage now.

As part of the development of a national ecosystem for promoting innovation, the project has conducted a training session for the management of Ukrainian universities that are interested in creating a business incubator. The purpose of the training session was dedicated to learning about the issues of creating accelerators in universities, the development of entrepreneurship in universities, and the peculiarities of entering the Asian market. The main trainer was Mr. Karthik Rampalli, Innovations and Future Creation Inc. (MIRAI SOUZO, Japan, <https://miraisozo.co.jp>), Global Shaper at World Economic Forum.

An integral part of GCIP Ukraine is to build the capacity of local and national institutions, including government agencies focused on SME development, clean technology, innovation, and entrepreneurship, to create an ecosystem for cleantech.

Some challenges during the project implementation period were connected with COVID 19 pandemic. As a result, the project developed a mechanism for further implementation of the training program for the semi-finalists of the GCIP Ukraine competition and university staff. Distance learning opportunities were explored, and the curriculums for GCIP Ukraine Business Academy and training for universities were adapted.

Moreover, the project is currently facing implementation delays due to the ongoing war in Ukraine. Most activities have been paused given the operational risks on PMU and assets. It is planned to request an extension for the project to introduce remedial measures, continue with the remaining activities' implementation, and conduct the terminal evaluation. The extension request time and duration are not yet clear given the current ongoing situation in Ukraine; therefore, UNIDO will seek guidance from the GEF.

2. Please briefly elaborate on any **minor amendments**⁶ 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.

<input type="checkbox"/>	Results Framework	NA
<input type="checkbox"/>	Components and Cost	NA
<input type="checkbox"/>	Institutional and Implementation Arrangements	NA
<input type="checkbox"/>	Financial Management	NA
<input checked="" type="checkbox"/>	Implementation Schedule	The project duration was extended in October 2021, to end on 30 November 2022.
<input type="checkbox"/>	Executing Entity	NA
<input type="checkbox"/>	Executing Entity Category	NA
<input type="checkbox"/>	Minor Project Objective Change	NA
<input type="checkbox"/>	Safeguards	NA
<input checked="" type="checkbox"/>	Risk Analysis	The change in risks rating is associated with the ongoing war in Ukraine, Most of the activities have been paused to ensure the safety of the project personnel and assets.
<input type="checkbox"/>	Increase of GEF Project Financing Up to 5%	NA
<input type="checkbox"/>	Co-Financing	NA
<input type="checkbox"/>	Location of Project Activities	NA
<input type="checkbox"/>	Others	NA

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

FY22, due to the current ongoing war and associated risks, there is no financial implementations other than the project team salaries. Most activities have been paused to ensure the safety of the project personnel and assets.

IX. Work Plan and Budget

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

Please fill in the below table or make a reference to a file, in case it is submitted as an annex to the report.

⁶ 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%.

Outputs by Project Component	2020				2021				2022				GEF Grant Budget Available (US\$)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Component 1 – National cleantech platform to promote clean technology innovations for global environmental benefits and green jobs in Ukraine													
Outcome 1: National level platform/coordinating mechanism established to promote clean energy technology innovations and entrepreneurship													
Output 1.1: GCIP Ukraine platform established, 3 annual cleantech Accelerator conducted across selected SME clusters													USD 15,000
Output 1.2: GCIP community and network maintained													USD 7,000
Outcome 2: Clean technology entrepreneurs identified, coached and promoted during and beyond the GCIP Accelerator													
Output 2.1: Post-Acceleration support provided for start-ups and SMEs to access finance and market entry													
Component 2 – Building national capacity for the support and promotion of clean technology innovations													
Outcome 2: National institutional capacity built to support and organize the GCIP Accelerator during and beyond the project duration													
Output 2.1: Capacity building of national institutions and industrial associations to host, support and sustain the GCIP, and 15 mentors and 10 judges identified and trained													USD 12,000
Output 2.2: Impact monitoring, advocacy and promotion													USD 5,000
Component 3 – Policy and regulatory framework strengthened for national Cleantech innovation and entrepreneurship ecosystem													
Outcome 3: Policy and Institutional framework strengthened to promote and support clean technology innovations in startups and SMEs													
Output 3.1: Policy analysis report on the best practices, regulations and incentives required for the promotion of clean technology innovations developed													USD 7,000
Output 3.2: Policy recommendations on how to enhance the clean technology innovation and entrepreneurship ecosystem developed and roadmap in place													USD 6,200
Output 3.3: National institutional capacity strengthened for sustainability													USD 8,000
Component 4 – Monitoring and Evaluation (M&E)													
Outcome 4: Adequate monitoring of all project indicators together with regular evaluations to ensure successful project implementation													
Output 4.1: Terminal project evaluation conducted													USD 30,000
Output 4.2: Documentation of lessons learnt and best practices from pilot experience and dissemination													USD 6,700

X. Synergies

1. **Synergies** achieved:

NA

3. **Stories to be shared** (Optional)

NA

EXPLANATORY NOTE

1. **Timing & duration:** Each report covers a twelve-month period, i.e. 1 July 2021 – 30 June 2022.
2. **Responsibility:** The responsibility for preparing the report lies with the project manager in consultation with the Division Chief and Director.
3. **Evaluation:** For the report to be used effectively as a tool for annual self-evaluation, project counterparts need to be fully involved. The (main) counterpart can provide any additional information considered essential, including a simple rating of project progress.
4. **Results-based management:** The annual project/programme progress reports are required by the RBM programme component focal points 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 is <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.