

UNIDO**ONUDI**

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
ORGANISATION DES NATIONS UNIES POUR LE DEVELOPPEMENT INDUSTRIEL

Progress Report
(01 July 2018 – 30 June 2019)

Name of country: *Turkey*

Title¹	UNIDO Cleantech Programme for SMEs in Turkey
GEF ID:	5505
UNIDO SAP ID:	130124
GEF Replenishment Cycle:	GEF - 5
GEF Focal Area:	Climate Change Mitigation (CCM)
Integrated Approach Pilot (IAP) Programs²:	
GEF Project Size:	MSP
UNIDO PTC Department:	Department of Energy (ENE)
UNIDO Project Manager:	Marco Matteini

I. Brief description of the project

I.1 Objective:

Small businesses are considered a priority for job creation and overall development of the economy. The Government of Turkey has been making continuous efforts to strengthen and support the SME sector, with a particular emphasis on promoting innovation for increased sustainability and competitiveness. Thus, the aim of the national policy is to maximize the potential of small businesses in the context of economic, social and political development and enhancement of sustainability of the countries' ecosystems.

The GEF-UNIDO Cleantech Programme for small businesses has sought to strengthen implementation and impact this national policy by promoting innovations in clean technologies through a cross-sectoral and multi-tiered approach with a view to build a sustainable "ecosystem" for innovative entrepreneurship in small businesses. The project focuses on fostering emerging clean technology start-ups in all three countries, enhancing engagement with the private sector, scaling up the momentum for sustainable development and strengthening the policy framework as required.

The GEF UNIDO Cleantech Programme has employed a competition-based ecosystem approach to identify the most promising entrepreneurs across the country. A local business acceleration programme supports, promotes and "de-risks" the participating companies and connects them to potential

¹ As per approved CEO Endorsement document

² Only for **GEF-6 projects**, if applicable

investors, customers, and partners. The project execution has been led by the Scientific and Technological Research Council of Turkey (TÜBİTAK) as main UNIDO's and project's partner, supported by local stakeholders and advisors. An integral part of this project is the development of the institutional capacity of local implementing partners, starting from TUBITAK where needed and then expanding to other government agencies responsible for/focused on small businesses development, clean technology and innovation. Furthermore, the project made an effort to reinforce, strengthen, connect and synergize with existing in-country relevant initiatives, in order to maximize impact and improve overall ecosystem.

The Project consisted of three technical components plus a monitoring and evaluation component:

- 1) Establishment of a Cleantech innovation ecosystem involving a platform to organize the Cleantech competition and associated accelerator programme
- 2) Strengthening of policy and regulatory framework for the development of a supportive local innovation ecosystem
- 3) Institutional capacity building for the organization of the competition and accelerator programme

I.2 Baseline:

Turkey has for many years taken the necessary steps to promote, facilitate and finance the transfer of, or access to, environmentally sound technologies. There is recognition that Turkish industry needs to ensure the efficient use of energy in order to hold pace with the rapid growth process that is currently underway; the current transition to clean production processes will mean that an increase in efficiency will soon become compulsory in many sectors. For the period from 2000 to 2010, government expenditures for science, technology and innovation were stable, while similar investment by the industrial and business sectors grew and those from higher education institutions declined. Total public expenditure on innovation and technology programmes was at US\$877 million in 2000 and increased to US\$1,175 million in 2008 (World Bank).

The Ministry of Science, Industry and Technology (MoSIT) has been promoting the transformation of industrial production to become environmentally friendly, resource efficient and sustainable; this will also enhance the industries' competitiveness. Many direct support programmes to promote innovation and technology development have been developed by various ministries in recent years. TUBITAK also has several matching grant schemes; KOSGEB implements programmes to support innovation and R&D in SMEs and the Technology Development Foundation of Turkey (TTGV) has established its own Green Fund. On the legislative front, a law on technology development zones was adopted in 2001, and in 2011 43 techno parks were established.

Despite these various attempts to stimulate innovation, the uptake of start-ups in innovative technologies has been moderate. The organization of the national Cleantech competition and accelerator programmes, on the other hand, has shown itself to be a very effective tool in promoting such an increased focus on clean technologies and innovations. However, in order for the competition and accelerator programme to have a sustainable impact on climate change mitigation, the aforementioned barriers must first be dealt with.

Building on the existing national efforts to promote innovative clean energy technologies, and large number of baseline projects operating in Turkey, the project will take a coordinating approach, supplying the existing funding schemes discussed above with a process methodology and a platform through which they can optimize their funding procedures. Thus the proposed project will aim to catalyze more efficient investment by improving the disbursement rate of the existing baseline projects.

II. Targeted results and progress to-date

II.1 Describe in tabular form the project's progress made in achieving its 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.

Project Strategy	KPIs/Indicators	Target level	Progress to-date
Component 1 – Component 1: Establishment of a Cleantech innovation ecosystem involving a platform to organize the Cleantech competition and associated accelerator programme.			
Outcome 1:			
Output 1.1: Two annual national Cleantech competitions organized;	Number of entries	100 entrants per competition (target of 10% women participants)	The 5th GCIP-Turkey Cleantech Competition and Accelerator Programme was launched in March 2018. 124 applications were received (-15% compared to the 4th cycle) during March-May 2018. Out of 124 applications, 81 high quality applications were selected for evaluation by pre-screening panels at early July. As a result of this evaluation, 25 semi-finalist teams were selected to take part in the 2018 Competition and Accelerator programme which was took place on between July to December 2018.
	Number of semi-finalists	25 semi-finalists per competition cycle	25 semi-finalists were selected for the 5th Cleantech Competition and Accelerator Programme which were in progress on between July to December 2018
	Number of Finalists	8 finalists per competition cycle	10 Finalists were selected for the 2018, 5th Cleantech Competition and Accelerator Programme.
Output 1.2: Two associated accelerator programmes organized, including post competition support;	Boot camps, training workshops, mentoring sessions organized;	6 boot camps, training workshops, mentoring sessions	<p>In Feb-March 2018 the GCIP-Turkey together with TUBITAK organized several meeting with the programme volunteer trainers about the curriculum and agenda of 2018 cycle who were previously trained with a 3-days Train-the-Trainers (ToT) activity on the enhanced 20 Elements Business Model Generation & Validation methodology to be used within the 4th and especially 5th National Cleantech Programme without a direct foreigner trainer chair support. From these conversations, a very detailed and quite successful training&mentoring curriculum has been generated in terms of defining of expected output/outcomes and roles of contributing trainers during the 2018. As a deepnote, more than 50 trainers/mentors from TUBITAK's and TTO's pool had participated in the ToT event.</p> <p>Building on lessons learned from previous cycles, National Academy (NA) and Business Clinic (BC) activities have divided into two sections/per activity in 2018 to give a chance to participant teams to digest the given information with around two weeks intervals between these NA and BC activities. Accordingly following activities was the agenda of training and mentoring sessions.</p> <ul style="list-style-type: none"> - National Academy I : 2- 6 July (4 days) - National Academy II : 24-26 July (2 days) - Business Clinic I : 14-16 August (2 days) - Business Clinic II : 7-9 September (2days) - Mock-Up Jury Evaluation : 2-3 October (2 days) <p>And finally, an advance mentoring has been provided called "International Mentoring Sessions" for #10 GCIP 2018 SF teams and #4 TUBITAK 1512 Programme's successful grantees who have international potential for either as access to other markets or investment potential at abroad. These sessions were carried out at two group of activities on between 6-18 August and 19-28 Sept. respectively. These mentoring sessions with expected total of #100 hours mentoring support quoted as 10K USD service fee were provided with the equal co-financing of UNIDO and</p>

			TUBITAK partners.
	Increased disbursement rate from baseline funding programmes;	Improve disbursement rate by 15%;	<ul style="list-style-type: none"> • TUBITAK has continued to be closely involved with the GCIP-Turkey activities and SFs, confirming that the GCIP Alumni are of a high quality. GCIP Alumni meet the standards of existing TUBITAK entrepreneurship and technology innovation programmes and have been encouraged and whenever possible assisted to apply to receive funding. • An advance mentoring has been provided for #10 GCIP 2018 SF teams and #4 TUBITAK 1512 Programme's successful grantees who have international potential for either as access to other markets or investment potential at abroad. These mentoring sessions were provided with the co-financing of UNIDO and TUBITAK partners. • Honorarium fee(s) for Jury members at three different jury rounds of an annual competition has been paid by TUBITAK. • Venue and logistical cost of these jury activities has also been provided by TUBITAK.
Output 1.3 - Participation in regional and global networking activities.	Regional workshops or training courses organized.	12 regional workshops or training courses organized (target of 10% women participants) over the three years of the programme.	<ul style="list-style-type: none"> • GCIP side event(s) were organized by the United Nations Industrial Development Organization (UNIDO) on the sidelines of the 24th session of the Conference of the Parties (COP 24) to the United Nations Framework Convention on Climate Change (UNFCCC), from 10 to 14 December in Katowice, Poland. UNIDO had some showcasing events to promote the best clean technology start-ups from 8 countries including Turkey under the framework of the Global Cleantech Innovation Programme (GCIP). GCIP is funded by the Global Environment Facility (GEF) and jointly implemented by UNIDO and 12 national counterparts and ministerial partners. Episome Biotechnologies, INC (2017 National Winner) and Carbomart (2017 Sustainability Award Owner) was the participant alumni from Turkey programme additional to a private sector representative, Mr.Mehmet KIRCA who has been investing for cleantech ventures from Turkey. • Greentech Izmir is a B2B matching activity which has been taking place in Izmir/Turkey with a theme of "Green Technology Startups Meet with Corporates in Izmir" specifically for greentech startups. After 2018, at it's 2nd year, #greentechizmir 2019 was organized at the hostage of Izmir Metropolitan Municipality and Izmir Developing Agency with a slogan of #startinizmir, also supports of other several eco-system partners. (https://greentechizmir2019.izka.org.tr/) After around a month period of "call for application" for event during April 2019, an online mentoring/training programme has been provided to selected cleantech startups, with several webinar and skype conversation from GCIP-Turkey based volunteer mentors. Among these 18 selected cleantech teams for 2018 event, 8 teams are/were the GCIP-Turkey programme alumni. Finally, after a full day of face-to-face mentoring session with those 18 teams during the 27th of June, teams was met with several public and private sector corporate's including; several municipality, governmental institutions, OIZ Companies and

			<p>Private Sector representatives to find an opportunity to growth their businesses.</p> <p>#greetchizmir has a potential of being international and organizers (sponsors) (will) have a target of doing an international B2B cleantech matching activity on next year, 2020. Other GEF funded GCIP countries alumnus can also be very good candidates to participate for this sort of initiative. This will make a national (even regional) event an international activity.</p> <ul style="list-style-type: none"> • GCIP-Turkey programme has also been acting as ecosystem partner of other several ongoing event and activities specifically focused on cleantech entrepreneurship, deeptech innovations at cleantech base ventures and etc.. Some of these activities are/were Hello Tomorrow Turkey (HTT), ICCI, International Energy and Environment Fair and Conference, Greentech Izmir, Ilgaz International Energy Workshop and etc..
Component 2 – Necessary policies and regulations required for the Cleantech competition and ecosystem identified and developed.			
Outcome 2:			
Output 2.1: Number of new policies and regulations developed to create a conducive policy environment for CT implementation;	Number of new policies and regulations developed to create a conducive policy environment for CT implementation;	Related policies, regulations amended, or new ones developed;	<p>After their long conversation with several parties, Ministry of Energy and Natural Resources (MENR) of Turkey has created/released a document called “Start Approach Document (2019 / 1B)” in order to obtain opinions to determine the applications, regulations and supports to be proposed for more effective cooperation with the new generation enterprises (“startup”) in the energy sector.</p> <p>https://www.enerji.gov.tr/tr-TR/Bakanlik-Duyurulari/Startuplar-Yaklasim-Belgesi-20191B</p> <p>A long day workshop was organized to identify the framework of this concept plan called “Energy Exploration Meetings, Start-ups (New Generation Initiatives) on 24 April 2019. Several GCIP base alumni team attended to this workshop and now they have been also contributing the below described process.</p> <p>In accordance with the following process, this document will be developed and finalized by receiving opinions from the institution / organization and related parties. Accordingly, the process;</p> <ol style="list-style-type: none"> 1) May 8, 2019: Approach document (White Document), 2) May 8 - July 8, 2019: Time to give feedback's&opinion to the approach document, 3) August 8: Opinion document (Blue Document) which is a summary of the opinions received, 4) September 2019: Workshop, 5) October 2019: Decision document (Red Document), 6) December 2019: Application document (Green Document), <p>Number and quality of cleantech and especially energy base start-ups from GCIP-Turkey programme at last five years, has given serious inputs to MENR about how important contribution these ventures can make in the energy sector. GCIP programme has also been contributing with the collected data, as a sort of asset, to identify the technology focus and capabilities of these</p>

			<p>new ventures in Turkey.</p> <ul style="list-style-type: none"> • The project has facilitated both formal and informal discussion between relevant key project institutional partners and tried to encourage a review of the existing policies and programmes. It has also continue to connect Alumni and SFs with policy-making authorities responsible for legislation and regulation (either existing or lacking) having an impact on their technology innovation ideas/solutions (i.e. General Directorate for Energy Efficiency and Environment under Ministry of Energy and Natural Resources (MENR), Ministry of Environment and Urbanization and Ministry of Agriculture and Forestry (MoAF), Ministry of Industry and Technology and others)
	Policy makers to receive trainings on policy development.	20 policy makers receive training on policy development (target of 10% women participants).	<ul style="list-style-type: none"> • A training is planned for the following period of GCIP-Turkey programme called GCIP-Phase II. • There are/were very strong arguments about continuation of GCIP-Turkey programme with the new phase(s) that an endorsement letter was approved at 31 October 2018 by the Ministry of Agriculture and Forestry, GEF-OFP in Turkey. • A new project document has been prepared with the contribution of beneficiaries and potential stakeholders of phase II during Jan-March 2019. 11M USD equal co-financing letter was collected letters from both private and public organisations during April – May 2019 that has been showing the great interest of identified partners to this new phase.
Component 3 – Institutional capacity building for the organization of the competition and accelerator programme.			
Outcome 3:			
Output 3.1: Capacity of host institution, TUBITAK, strengthened and wide platform for all stakeholders established;	TUBITAK staff trained to be able to organize the competition and the accelerator programme;	8 TUBITAK staff receive training on competition organization (target of 10% women participants);	<ul style="list-style-type: none"> • The Project Management Unit (PMU) is/was hosted within the TUBITAK building for ongoing on-the-job training and knowledge sharing. • The Entrepreneurship Support Group (ESG) within TEYDEB-TUBİTAK has continued to be involved in a variety of GCIP-Turkey activities. The ESG consists of 8 full time staff (6 woman; 75% female) and a Director; 3 staff members had been actively involved in and have supported GCIP-Turkey activities also during July 2018 to April 2019 through assistance to GCIP alumni and mentors, investor connectivity activities, training and others. • This team has also been involving planning and coordination of GCIP-Phase II preparations including identification of project concept/content as well as project document investigations and review with UNIDO team. • A PMU member, at Deputy NPM position of programme had moved to another permanent position of TUBITAK-TEYDEB group, at the end of 2017, as a very good example of capacity building at institutions. Even-though, she hasn't been involved with directly GCIP-Turkey programme right now, she will continue to transfer the knowledge and experience of GCIP-Turkey programme to TUBITAK's programs in her new position.
Output 3.2:	Number of partners involved in the	15 partners involved in platform and	<ul style="list-style-type: none"> • To date, GCIP has received support from more than 50 different organizations, including universities, institutions, NGOs, and other incubation organizations. Training and Mentoring

	platform; number of mentors recruited and trained;	at least 10 mentors recruited and trained annually;	<p>activities in Ankara and Istanbul during the 2018 cycle was held in OSTIM Organized Industrial Zone (OIZ), Management Building and Cisco Innovation Center Istanbul (CIsCI), respectively.</p> <ul style="list-style-type: none"> • More than 20 meetings have been held with project partners to discuss project implementation, encourage engagement and ownership, and leverage committed co-financing of programme alumni and SF teams. • To date more than 450 mentors have registered to take part in the GCIP-Turkey programme. 55 mentors and 4 Assistant Trainers were trained in March 2017 and June 2017 respectively. From those mentors at least 20 mentors actively and continuously took place at mentoring & training activities of 2018 programme cycles (July-Nov. 2018). • Greentech Izmir (https://greentechizmir2019.izka.org.tr/), proposed to support "Green Technology Startups Meet with Corporates in Izmir" specifically for greentech startups, has also been technically supporting by GCIP-Turkey programme mentors.
Output 3.2: Experience shared with other countries	Number of regional workshops or training courses organized;	2 regional workshops organized	<ul style="list-style-type: none"> • A Cleantech Innovation and Entrepreneurship Ecosystem (CIEE) Analysis Framework has been carried out to assessing "Cleantech Innovation and Entrepreneurship Ecosystems in Developing Countries with the contribution of UNIDO, 8 GCIP Country teams and International Institute of Industrial Environmental Economics (IIIEE), Lund University. This Analysis framework is not only being expected to provide critical input for new GCIP countries but also other entrepreneurship ecosystems in developing countries. • A long day workshop called "Energy Exploration Meetings, Start-ups (New Generation Initiatives) was organized by MENR dated at 24 April 2019 to provide input to the framework of "Start Approach Document (2019 / 1B)" in order to obtain opinions to determine the applications, regulations and supports to be proposed for more effective cooperation with the new generation enterprises ("startup") in the energy sector. <p>https://www.enerji.gov.tr/tr-TR/Bakanlik-Duyurulari/Startuplar-Yaklasim-Belgesi-20191B</p> <p>Several GCIP base alumni team attended to this workshop and now they have been also contributing the below described process.</p> <ul style="list-style-type: none"> • UNIDO organised showcasing and knowledge sharing events at Turkish, Thailand and BENELUX EIB and The GEF Pavilions of 24th session of the Conference of the Parties (COP 24) to the United Nations Framework Convention on Climate Change (UNFCCC), from 10 to 14 December in Katowice, Poland to promote the best clean technology start-ups from 8 countries including Turkey under the framework of the Global Cleantech Innovation Programme (GCIP). • "The State of Social Enterprise in Turkey" project report released as an output of a British Council funded project jointly manage/progressed by several Turkish Universities, eco-system

			<p>members and institutions specialized over Social Entrepreneurship.</p> <p>https://www.britishcouncil.org.tr/en/programmes/education/social-enterprise-research</p> <p>GCIP-Turkey PMU had participated several project activities and meetings including consultation meetings (workshop), focus groups, interviews and roundtables with more than 30 hours active and direct contribution to project during the last 8 months. UNIDO has also been referred as “Participant Institutions at Events”</p> <p>Beyond this institutional contribution, The Global Cleantech Innovation Index (GCII) 2017-GCIP Countries Profile report have also provided some background to the Section 3: Overview of Country Context (Ref No: 12), Page 32-33</p> <p>The most critical outcome of this project/report is the description/definitions of Social Enterprise/Entrepreneurship in Turkey is that “<i>Social enterprises are the organisations that prioritise <u>social/environmental</u> impact while generating more than half of their revenue from trading and reinvesting their profit primarily in their mission.</i>”</p> <p>Base on this description, GCIP-Turkey alumni’s have also potential of being a social enterprise with their cleantech ventures depending to their type of revenue stream and its distribution.</p>
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III. Project Risk Management

III.1 Please indicate the overall risk management: (i) as identified in the CEO Endorsement document, and (ii) progress to-date.

	(i) Risks	(i) Risk level	(i) Mitigation measures	(ii) Progress to-date
1	Lack of interest by the public and industry in the competition, resulting in limited competition entries, or entries with low quality, especially in the first few years.	M	Preparation of proper communication programmes to ensure effective and widespread communication of the competition. Regional workshops in the three regional industry centers; Ankara, Istanbul and Izmir. Effective support will be provided to entrants and a user-friendly entry form will be prepared. Various forms of collecting entries will be designed and implemented, including online tools.	<ul style="list-style-type: none"> • 3,000 brochures and 500 posters targeted at applicants were sent to universities, technology centers, TTOs, institutes, NGOs, Government offices, chambers of trade, industry and commerce etc. throughout Turkey. • A series of workshops and road-show events were carried out in various cities including İstanbul, Ankara, Adana, etc. for dissemination activities. • As a result of this broad outreach and communication programme, 149 and 124 applications were received for the 4th and 5th GCIP-Turkey cycle, respectively. In 2017 and 2018, over these applications 96 and 81 high quality applications were recorded, respectively.

2	Lack of interest by mentors and voluntary trainers.	L	Mentors and voluntary trainers will be identified through a properly prepared process and their roles, responsibilities and benefits will be determined and made widely known at an early stage in project implementation.	Communication has been carried out with other ongoing Turkey's accelerator and incubation programmes and other potential organizations that may provide mentor support. In particular, the existing mentor pool of TUBITAK has been utilized to source high-quality mentors. More than 400 mentors have registered to the GCIP-Turkey programme pool and more than 100 active mentors, trainers and jury members became a part of each cycle of GCIP-Turkey programme.
3	Lack of absorptive capacity by the national counterpart.	L	Management and staff of TUBITAK will be exposed as early as possible to the experiences and lessons learned from other countries, with experience from other competitions in the country also being reviewed. Proper selection of the project staff will be conducted.	<p>TUBITAK has a Unit called Entrepreneurship Support Group (ESG) (previously Directorate of Strategic Programmes) which is mainly responsible for collaborative and international projects and which is familiar with GCIP-T types of activities.</p> <ul style="list-style-type: none"> • The GCIP-Turkey project management unit (PMU) is based in TUBITAK, with good internal and external communication skills. The ESG and PMU have been collaborating well without any problems, thus facilitating knowledge sharing. <p>In order to support sustainability beyond the project duration, GCIP-Turkey needs to be well integrated into existing structures for national support of SMEs and/or technology innovation. The project and TUBITAK have continued to work closely to have GCIP-Turkey integrated as a specific call for clean technology issues, next to other ongoing support programmes.</p>
4	Lack of effective coordination between various project partners.	L	A proper coordination will be sought through the Project Steering Committee (PSC) and ad-hoc working groups will be established if necessary.	<p>Regular meetings have been held with project partners. Moreover, annotations and invitations have been regularly sent to the members to keep them up-to date with project progress and encourage ownership.</p> <p>Last Project Steering Committee (PSC) meeting was held in 16 February 2017, and coordination and synergies between partners was reviewed, suggestions for improvement were made.</p>
5	Incentives and the financial support system are insufficient	L	Linkages to other financing schemes for clean energy technology promotion and innovations programmes will be established as early as possible. Intensive outreach programmes to potential sponsors and investors will be carried out and the clear benefits for and responsibilities of sponsors will be determined as early	GCIP-Turkey alumni have been directed to grant and funding programmes of other national counterparts as well as stakeholders and supporters. TUBITAK has a multi-stages programme: TUBİTAK 1512 for individuals who don't have a company yet and TUBİTAK 1507 for SMEs. The Ministry of Science, Industry and Technology (MoSİT), a project execution partner, has a programme entitled Techno Entrepreneur for technology based innovators, and some banks have special products for entrepreneurs.

			<p>as possible. The exposure of winners, runner ups and finalists to regional global investors and partners will be considered a priority.</p>	<p>• Horizon 2020 focal point in Turkey is TUBİTAK and there are some special calls for variety level of entrepreneurs. GCIP-Turkey team has also been informing Alumni about opportunities offered by European Union funded programmes.</p> <p>Objective outputs/outcomes of GCIP-Turkey programme since 2014 have given some idea to TUBİTAK to move to thematic calls for Start-Ups and on their 2018 call for potential implementer and ask from them to specialized on the below thematic fields. 1512 Individual Multi-phased Entrepreneurship Programme calls for application specific categories are energy and clean technologies, sustainable agriculture and nutrition, smart transportation, health and wellness, advanced manufacture and industry, and communication and digital transformation.</p> <p>UNIDO-Turkey and TUBİTAK have lunched "Clean Future Fund; CFF" on 8th of May 2018 in Ankara with a high level participation meeting and have called Governmental Bodies and Institutions, Private Sector as well as investors and all the related parties be a part of this volunteer movement. Even-though, "Clean Future Fund; CFF" is not an operational platform yet, it has been expecting positive outcomes of similar platforms and most important and critical part of this initiative to convince the investment sector to invest for Clean-tech start-ups and companies.</p> <p>The project has continued to regularly inform GCIP-Turkey alumni of such opportunities and facilitates their access where possible.</p>
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III.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.

Not applicable

IV Environmental and Social Safeguards (ESS) & Stakeholder Engagement

IV.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 been 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.]

IV.2 Please provide any feedback submitted by co-financiers, and other Partners/Stakeholders of the project (e.g. private sector, CSOs, NGOs, etc.).

IV.3 Please list and provide any **relevant stakeholder consultation documents**:

During the FY 2019 consultations with project partners and stakeholders have taken place mostly through bilateral meetings. The national team participated in a number of events in which it had the opportunity to liaise and network with players of/in the Turkish Cleantech ecosystem as well as civil society representatives.

V Knowledge Management

V.1 Please provide any **relevant knowledge management mechanisms / tools** that the project has generated:

The project during its lifetime has made a continuous effort to facilitate knowledge creation and sharing, undertaking a number of knowledge management and dissemination activities, including:

1. Establishing the website: www.turkey.cleantechopen.org
2. Producing annual brochures: www.turkey.cleantechopen.org/wp-content/uploads/sites/7/2015/07/GCIP_2015_Brochure.pdf
3. Executive summaries of the finalist and semi-finalist teams of the 3rd GCIP-Turkey cycle have been uploaded onto the project website, thus encouraging knowledge sharing and also collaboration opportunities as the teams learn more about each other. The online applicant and mentor application platform is continuously active. Presentations, training documents, audio and visuals have been shared with the relevant parties and the teams. All available videos, leaflets and other promotional materials are also available at Alumni's webpage of relevant years.

VI Financial report

VI.1 **Financial** implementation of the project:

 PROJECT DELIVERY REPORT		Project:	130124 - GEF UNIDO CLEANTECH PROGRAMME FOR SMES IN TURKEY	Project Manager:	Marco Matteini	Project Validity:	21.10.2013 - 30.04.2019
Reporting Period:	06.01.2013 - 30.06.2019	Project Theme:	Energy and Environment	Country:	Turkey	Status:	Assess
Sponsor Nr.	Sponsor	Grant	Grant Description	Fund	Currency	Grant Status	Grant Validity
400150	Global Environment Facility	2000002472	TURKEY - CLEANTECH M	GF	USD	Authority to implement	08.11.2013 - 30.04.2019

	Description	Current Year				Cumulative to Date					
		Released Budget Current Year (a)	Obligations Current Year (b)	Disbursements Current Year (c)	Expenditures Current Year (d=b+c)	Total Agreement Budget (e)	Released Budget (f)	Obligations + Disbursements (g)	Funds Available* (h=f-g)	Support Cost (i)	Total Expenditures (j=g+i)
2000002472	Status: Authority to implement										
130124-1-01-01	1.1 Cleantech Platform	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	0,00	0,00	0,00	0,00	2,384,90	2,384,90	2,384,90	0,00	0,00	2,384,90
1500	Local travel	0,00	0,00	0,00	0,00	62,544,52	62,544,52	62,544,52	0,00	0,00	62,544,52
1700	Nat.Consult./Staff	3,162,03	0,00	1,814,03	1,814,03	188,019,82	188,019,82	186,671,82	1,348,00	0,00	186,671,82
2100	Contractual Services	0,00	0,00	1,052,71	1,052,71	261,847,48	261,847,48	262,900,19	(1,052,71)	0,00	262,900,19
3000	Train/Fellowship/Study	0,00	0,00	0,00	0,00	23,273,61	23,273,61	23,273,61	0,00	0,00	23,273,61
3500	International Meetings	0,00	0,00	0,00	0,00	11,620,77	11,620,77	11,620,77	0,00	0,00	11,620,77
5100	Other Direct Costs	0,00	0,00	(15,88)	(15,88)	38,806,35	38,806,35	38,790,47	15,88	0,00	38,790,47
9300	Support Cost	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	55,878,55	55,878,55
130124-1-01-01	Total	3,162,03	0,00	2,850,86	2,850,86	588,497,45	588,497,45	588,168,28	311,17	55,878,55	644,064,83
130124-1-01-02	1.2 Policy framework	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	0,00	0,00	0,00	0,00	171,69	171,69	171,69	0,00	0,00	171,69
1500	Local travel	0,00	0,00	0,00	0,00	292,92	292,92	292,92	0,00	0,00	292,92
1700	Nat.Consult./Staff	7,950,63	0,01	3,583,84	3,583,85	37,308,80	37,308,80	32,932,02	4,376,78	0,00	32,932,02
2100	Contractual Services	0,00	(7,125,00)	10,088,19	2,963,19	27,118,75	27,118,75	30,081,94	(2,963,19)	0,00	30,081,94
5100	Other Direct Costs	33,98	1,273,78	(17,65)	1,256,13	(421,33)	(421,33)	800,82	(1,222,15)	0,00	800,82
9300	Support Cost	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	6,106,56	6,106,56
130124-1-01-02	Total	7,994,61	(5,851,21)	13,654,38	7,803,17	64,470,83	64,470,83	64,278,39	191,44	6,106,56	70,385,95

* Does not include Unapproved Obligations

 PROJECT DELIVERY REPORT		Project:	130124 - GEF UNIDO CLEANTECH PROGRAMME FOR SMES IN TURKEY	Project Manager:	Marco Matteini	Project Validity:	21.10.2013 - 30.04.2019
Reporting Period:	06.01.2013 - 30.06.2019	Project Theme:	Energy and Environment	Country:	Turkey	Status:	Assess
Sponsor Nr.	Sponsor	Grant	Grant Description	Fund	Currency	Grant Status	Grant Validity
400150	Global Environment Facility	2000002472	TURKEY - CLEANTECH M	GF	USD	Authority to implement	08.11.2013 - 30.04.2019

	Description	Current Year				Cumulative to Date					
		Released Budget Current Year (a)	Obligations Current Year (b)	Disbursements Current Year (c)	Expenditures Current Year (d=b+c)	Total Agreement Budget (e)	Released Budget (f)	Obligations + Disbursements (g)	Funds Available* (h=f-g)	Support Cost (i)	Total Expenditures (j=g+i)
130124-1-01-03	1.3 Capacity building	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	0,00	0,00	0,00	0,00	31,89	31,89	31,89	0,00	0,00	31,89
1500	Local travel	0,00	0,00	4,800,00	4,800,00	36,710,17	36,710,17	41,510,17	(4,800,00)	0,00	41,510,17
1700	Nat.Consult./Staff	2,978,54	0,00	1,814,02	1,814,02	38,309,14	38,309,14	37,144,62	1,164,52	0,00	37,144,62
2100	Contractual Services	0,00	(5,242,41)	2,786,50	(2,475,91)	102,475,17	102,475,17	99,999,26	2,475,91	0,00	99,999,26
3000	Train/Fellowship/Study	0,00	0,00	0,00	0,00	27,215,06	27,215,06	27,215,06	0,00	0,00	27,215,06
3500	International Meetings	0,00	0,00	0,00	0,00	7,647,09	7,647,09	7,647,09	0,00	0,00	7,647,09
4500	Equipment	0,00	0,00	0,00	0,00	3,318,37	3,318,37	3,318,37	0,00	0,00	3,318,37
5100	Other Direct Costs	3,000,00	410,68	621,15	1,031,83	13,460,50	13,460,50	11,492,33	1,968,17	0,00	11,492,33
9300	Support Cost	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	21,694,48	21,694,48
130124-1-01-03	Total	5,978,54	(4,831,73)	10,001,67	5,169,94	229,167,39	229,167,39	228,358,79	808,60	21,694,48	250,053,27
130124-1-02-01	2.1 Monitoring & Management	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	0,00	0,00	0,00	0,00	17,411,32	17,411,32	17,411,32	0,00	0,00	17,411,32
1500	Local travel	0,00	0,00	0,00	0,00	331,60	331,60	331,60	0,00	0,00	331,60
1700	Nat.Consult./Staff	0,00	0,00	0,00	0,00	72,968,60	72,968,60	72,968,60	0,00	0,00	72,968,60
5100	Other Direct Costs	0,00	0,00	0,00	0,00	(363,41)	(363,41)	(363,41)	0,00	0,00	(363,41)
9300	Support Cost	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	8,583,10	8,583,10
130124-1-02-01	Total	0,00	0,00	0,00	0,00	90,348,11	90,348,11	90,348,11	0,00	8,583,10	98,931,21
130124-1-03-01	3.1 Evaluation	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
1100	Staff & Intern Consultants	0,00	0,00	0,00	0,00	396,84	396,84	396,84	0,00	0,00	396,84
1700	Nat.Consult./Staff	0,00	0,00	0,00	0,00	16,993,70	16,993,70	16,993,70	0,00	0,00	16,993,70
5100	Other Direct Costs	0,00	0,00	0,00	0,00	125,68	125,68	125,68	0,00	0,00	125,68
9300	Support Cost	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,664,07	1,664,07
130124-1-03-01	Total	0,00	0,00	0,00	0,00	17,516,22	17,516,22	17,516,22	0,00	1,664,07	19,180,29
2000002472	Total	17,135,18	(10,682,94)	26,506,91	15,823,97	990,000,00	990,000,00	988,688,79	1,311,21	93,926,76	1,082,615,55
130124	USD Total	17,135,18	(10,682,94)	26,506,91	15,823,97	990,000,00	990,000,00	988,688,79	1,311,21	93,926,76	1,082,615,55

* Does not include Unapproved Obligations

VII Work Plan and Budget

VII.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.

Not applicable.

VIII Synergies

VIII.1 **Synergies** achieved:

1) National Implementing agency, TUBITAK would not like to only help capacity development of entrepreneurship eco-system but also propose to equal conditions for techno-start-ups at different geographic conditions over “Individual Young Entrepreneur Program (BiGG)” of country via 30 implementers, in terms of access to similar services for improving entrepreneurial skills and conditions.

These 30 implementing agencies mostly composed of universities (TTO's) and a couple of private incubators (a company, a bank and etc..).

At this point a couple of important issue for better understanding of GCIP programme at TUBITAK perspective is;

- a) TUBITAK-TEYDEB's itself can always be an implementer (beneficiary) of BiGG programme (their programme) from point of regulatory framework,
- b) GCIP programme has also a function of working like an implementor but not an official pipeline to send entrepreneurs for BiGG programme but instead working as a virtual pre-incubator, incubator and accelerator programme. In another word, GCIP can be assumed semi-official implementor, specifically working for cleantech innovations,
- c) There is a natural penetration between GCIP and BiGG programmes in terms of applicants and beneficiaries (profiles) of these programmes.
- d) Starting from next phase, GCIP Phase II, it will have been expected/desired that some of these implementers, based on their capacity as well as voluntarily, specialized over the different aspects of cleantech i.e; biotechnology, energy, smart transportation and etc.. Thematic base specialization. These implementers can/may also work over cleantech vertical to support GCIP programme at different part of the country.
- e) GCIP programme within the hostage and trust of TUBITAK can also be a direct implementer of BiGG programme. With another word, these implementors will not be the direct stakeholders of GCIP Phase II but instead some of the ministries, NGO's as well as private sector who would like to be a part of cleantech ecosystem should be the official stakeholders of phase II.

2) TUBITAK in the past had no technology/field categorisation (specialization) at early stage entrepreneurship and Start-Up support programmes. That was later introduced based on the experience with GCIP.

Objective outputs/outcomes of GCIP-Turkey programme since 2014 have given some idea to TUBITAK to move to thematic calls for Start-Ups and on their latest calls for potential implementer and ask from them to specialized on the below thematic fields within the content of their grant program;

- (i) Smart Transportation,
- (ii) Energy and Clean Technologies,
- (iii) Sustainable Agriculture and nutrition,
- (iv) Health and Wellness,
- (v) Advance Manufacturing and Industry 4.0,
- (vi) Communication and Digital Transformation,

and among these first two category are directly and a couple of others are indirectly related with the concept of GCIP-Turkey programme's thematic fields.

3) An important purpose of GCIP Phase II will be to complete the full integration of GCIP programme into TUBITAK's grant programme not only in terms of principal approaches like its thematic and boutique concept but also its financial and non-financial resources sustainability for the following years.

Providing Business Development (BD) support limited only with a couple of months of year is not enough to achieve a scalable traction of start-up venture and longer-term support with advance mentoring and consultancy services should be provided for a commercially successful cleantech SME's. While, second part of GCIP phase II programme will help us to work together and provide support at a comparably longer term but also give an opportunity to measure, monitor and evaluation of team for impact analysis.

In more detail to improve and develop; (i) Commercialization (access to market) (ii) Going to Global (Internationalization) and (iii) Access to Capital (investment) capacity (potential) of teams will be target of new programme.

4) Greentech Izmir is a B2B matching activity which has been taking place in Izmir/Turkey with a theme of "Green Technology Startups Meet with Corporates in Izmir" specifically for greentech startup with the financial support of Izmir Developing Agency (IZKA) and Izmir Metropolitan Municipality. Activity has been also supporting with a slogan of #startinizmir by several other eco-system partners.

<https://greentechizmir2019.izka.org.tr/>

After a regional event, in its 2nd year at 2018, #greentechizmir 2019 became a nation-wide corporate/start-up matching activity. For the following years, #greentechizmir has a potential of being international and organizers (sponsors) (will) have a target of doing an international B2B cleantech matching activity on next year, 2020 in Izmir . Other GEF funded GCIP countries alumnus can also be very good candidates to participate for this sort of initiative. This will make a national (even regional) event an international activity.

4) At existed phase of GCIP-Turkey only government intuitions, including ministries and its affiliates was the official partners of programme but there were not a real private sector parties within this consortium. In addition to government institutions, other stakeholders expressed their eagerness to support the program. In autumn 2017, Letters of Intent were received from OSTIM, Organized Industrial Zone (OIZ) located in Ankara and TBS Investment, a Turkish private sector investment firm, expressing the intention to financially support the GCIP and invest in the initiatives of its alumni.

The sustainability of the project's results has been heightened by recent development: **i)** the 2018 Competition-Accelerator was executed with essentially Turkish resources/funding (promotional material, logistics, trainers, mentors, travel); **ii)** the capacities of primarily Turkish trainers and mentors were used, with limited involvement of The Cleantech Open (CTO) staff providing extra advisory support to selected startups co-funded by TÜBITAK as a test for extending GCIP services; **iii)** the cost for further national activities were covered by TÜBITAK and TBS Investment, an angel investor that has partnered with GCIP Turkey; and **iv)** prizes offered in the 2018 annual cycle was covered by TÜBITAK, TBS Investment and OSTIM, one of the country's organised industrial zones.

Engagement of GCIP programme with more private sector players was considered in the plaining stage of the organisation structure for. GCIP-Phase II. Addition to OSTIM and TBS Investment, i) Arcelik, a household appliances manufacturer, ii) DCube Circular Economy Cooperative, a scientific R&D and social development cooperative, and iii) ReDis Innovation, an organisation that link the policymakers, public institutions, companies, investors, startups and non-governmental organizations were included into potential stakeholders of projects. Co-financing letters, that includes both cash and in-kind services, has been provided from all government and private sector based parties equal to 11M USD co-finance to submit GEF CEO.