

<b>Project Title: <i>Adaptation SME Accelerator Project (ASAP)</i></b>	
<i>Executing Agency:</i>	Lightsmith Group LLC ('Lightsmith')
<i>Duration:</i>	January 2020 to November 2023
<i>GEF Grant Amount:</i>	USD 1,977,997
<i>Date of Evaluation:</i>	November 2023 to March 2024
<i>CI-GEF Agency team members responding:</i>	Orissa Samaroo, Free De Koning, Aki Marcelino

The CI-GEF team is providing an agency response to the terminal evaluation report prepared by Terranomics. The following are recommendations/comments from the CI-GEF team in relation to the content of the draft evaluation report.

### **General Comments:**

### **Lessons Learned**

#### **1. Knowledge Materials**

The publication of knowledge materials, such as the Adaptation Solutions Taxonomy and the Climate Adaptation Toolkit, was identified as a key catalyst in engaging stakeholders and the uptake of climate adaptation ideas in the wider investment market. As a result, ASAP was approached by both previously identified and new stakeholders who had an interest in providing advisory support services to SMEs involved in the project's accelerators.

The propagation of knowledge materials to a wide audience was fundamental in generating interest from stakeholders. The Taxonomy was considered a particular success due to it being directly referenced in UNDRR and DFC publications.

#### **2. Social Outreach**

Stakeholder expert forums, investor forums, and SME panel presentations are other examples of activities used to engage the private sector in particular. These allowed SMEs to increase their visibility whilst increasing awareness of projects in the climate adaptation sector to private stakeholders and organizations. ASAP also disseminated the Investor Booklet<sup>1</sup> containing information on cohort SMEs' company profiles to stakeholders as a form of outreach to interested investors.

The use of social media and the [ASAP website](#) aided in expanding outreach to more stakeholders from both a project development perspective and an investment/ technical assistance perspective. Newsletters were also circulated to stakeholders on the contact list. Social outreach of this nature drove almost 400 SME applicants to the Accelerator as of FY22 (Document 5).

The translation of media for respective audiences, such as Spanish in a Latin American context, was identified as an improvement area for ASAP (Document 6, p.29). While all sessions run during the Latin

---

American Accelerator had the option for translation, ASAP recognized that more work could be done to translate media in the future.

### **3. Training, Technical Assistance and Pilot Projects**

In FY23, the Accelerator was expanded to allow for the training of 18 SME leaders in the climate adaptation space across the target regions. Of the 18 SMEs, 8 were from the Latin American cohort, 4 were from the African cohort, and 6 were from the Asian cohort.

Technical Assistance was directly provided to support 18 SMEs in the accelerator cohort in FY23, including financial analysis support from Village Capital. Access to this information allowed the ASAP team “to co-identify challenges to each individual business and hire consultants in marketing, operations, and sales” (Document 6). This allowed the team to address the specific challenges faced by each SME in the Accelerator. Despite the success of the accelerator programs, two of the grant-recipient SMEs said they would have liked more interaction with other accelerator participants. They also said that they would have liked the accelerator to directly connect them to more investors and financing opportunities. The accelerator implementing partners, Village Capital and Lightsmith, both said that the accelerator would have benefited from running for a longer period.

The ASAP Technical Assistance Facility, the ASAP team, and recipient companies developed pilot projects in FY23 that would develop proof of data on new prototypes and business ideas. Technical assistance grants of up to US \$50,000 for pilot projects were extended to three of 18 companies in the ASAP Accelerator cohort. These pilots commenced in November 2022 and were due to be completed in early August 2023. These pilot projects represented each of the accelerators, with companies from Nigeria, India and Colombia represented. Project seed funding was available as part of a closed competitive process available to companies that had completed all previous accelerator activities. This information was useful in generating interest from external stakeholders. Despite pilot projects being in an early stage of development, there were indications from the data provided that at least two of the three projects would be able to access capital from local financial institutions in the near future (Document 6). This capital would be in addition to the existing ASAP-provided technical assistance grants and would allow them to continue scaling their climate adaptation solutions. The executing agency noted that with additional funding more well-designed projects could have been funded. The source of this additional funding was not considered.

### **4. Virtual Environment**

The PIRs did not directly reflect on the change in project activities to a fully remote environment, although this was raised in key informant interviews. ASAP appeared to adapt well to the COVID-19 pandemic which started at the beginning of project implementation. However, all in-person project activities—in particular, regional convenings and accelerator activities—changed to be carried out remotely. In some ways, the project benefited from a remote environment. Lightsmith noted that this helped them engage a wide range of stakeholders and made attendance at convenings more convenient and accessible for attendees. Lightsmith also believes that completing all project activities virtually was cost-effective by reducing travel time and costs. Both Lightsmith and CI-GEF noted that webinars were effective and had high levels of attendance, which was partly attributed to the virtual format. There were some in-person project activities, such as the presentation of ASAP at the Seventh GEF Assembly in Vancouver, Canada in August 2023.

No.	Recommendation	CI-GEF Agency response to recommendations
1	<p><b>Knowledge Materials</b></p> <p>The Taxonomy was deemed to have been successful due to a number of factors:</p> <ul style="list-style-type: none"> <li>● It provided a foundation for subsequent standards and classifications in the sector.</li> <li>● It was peer-reviewed and therefore deemed highly credible.</li> <li>● It was designed to retain flexibility regarding geography and project activity and therefore can be pitched to a wide range of stakeholders.</li> </ul> <p>These knowledge materials could be useful for future GEF programming and for other projects focused on providing technical assistance and investment to adaptation SMEs.</p>	Agreed.
2	<p><b>Social Outreach</b></p> <p>The stakeholder expert forums, investor forums, and SME panel presentations used in conjunction with written materials like an investor booklet, newsletters, and social media appeared to be especially effective when engaging the private sector. Future GEF projects should consider adopting similar social outreach activities to drive effective private-sector engagement.</p>	CI-GEF will ensure that this is incorporated in future projects.
3	<p><b>Training, Technical Assistance and Pilot Projects</b></p> <p>ASAP was successful in training SME leaders in the climate adaptation space across target regions, providing bespoke technical assistance to SMEs graduating from the Accelerator, and financing well-designed project pilot schemes. These results can be replicated in future projects. Despite this, SMEs would have benefitted from greater interaction with other accelerator participants, greater access to financing and investment opportunities through the accelerator, and longer accelerator running periods. The accelerator could also be repeated on an annual basis to support</p>	Acknowledged.

	additional initiatives and projects. Further, additional project seed funding could have been utilized to finance other pilot schemes from cohort SMEs.	
4	<p><b>Virtual Environment</b></p> <p>While ASAP successfully adapted to COVID-19 restrictions and the abrupt switch to a remote environment, some key informants felt that the lack of in-person activities, especially the accelerator work, was the biggest gap for the project. One SME interviewed said that in-person accelerator support could have been more effective than remote support, especially in the early stages of setting up their project. Projects should keep in mind that virtual support is effective and often more cost-effective, but there is still sometimes a preference for in-person support. Therefore, the evaluation team recommends a hybrid system that provides an appropriate mix of in-person and remote support for future accelerators or technical assistance facilities funded by the GEF.</p>	Acknowledged and agreed.
5	<p><b>Evaluation Team Recommendations</b></p> <p>Based on the lessons learned from Lightsmith's reflections in the PIRs and key informant interviews, the evaluation team recommends the following steps for any future GEF project similar to ASAP:</p> <ul style="list-style-type: none"> <li>● Make translated materials and resources more readily available in a variety of languages.</li> <li>● Keep project convenings mostly virtual but allow in-person support to SMEs where this is favorable and financially feasible.</li> <li>● Create stronger connections between SMEs by holding events for SMEs to network amongst each other, connecting SMEs that are facing similar circumstances so that they can learn from each other, and allowing more time for SME interaction at regional accelerator meetings.</li> <li>● Expand the running time of the accelerator to allow for more progress to be made in between meetings.</li> </ul>	Acknowledged.

- |  |  |  |
|--|--|--|
|  | <ul style="list-style-type: none"><li>• Where possible, directly connect SMEs to potential investors and financing opportunities and help SMEs understand proposed investment deals.</li></ul> |  |
|--|--|--|