



Promoting technology innovation and entrepreneurship to mitigate climate change and combat land degradation in informal settlements and peri-urban areas

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10989

Countries

Namibia

Project Name

Promoting technology innovation and entrepreneurship to mitigate climate change and combat land degradation in informal settlements and peri-urban areas

Agencies

UNIDO

Date received by PM

4/6/2023

Review completed by PM

11/21/2023

Program Manager

Remy Ruat

Focal Area

Multi Focal Area

Project Type

MSP

PIF

CEO Endorsement

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

12/7/23:

Noted

12/4/2023 : From a policy perspective :

On project information: please correct the expected implementation start to a future date and adapt the expected completion date to match the duration of the project.

4/14/2023 MY:

Yes.

Agency Response The implementation start date and completion date have been corrected.

12/06/2023

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

12/7/2023:

Noted

12/4/2023 : From a policy perspective :

3. The amount, in table B, for component 3 (\$40,000) does not match what is stipulated in the budget table provided in Annex E (\$2,000). Please correct where necessary.

4/14/2023 MY:

Yes. The project structure and design keep the same as in the approved PIF.

Agency Response

The amounts have been corrected. Please be informed that Component 3.2 encompasses M&E activities. M&E activities were not indicated as a separate component, therefore the total cost for Component 3.2 in table B, USD 65,000 matches with the sum of Annex E columns 3.2 USD 25,000 and M&E USD 40,000.

12/06/2023

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

11/21/2023 RR :

Cleared.

The total co-financing remains low and lower than the 5M initially expected but the provided co-financing letters show a clear alignment with project objectives. Additionally, as noted in section 5.3 of this review sheet, the first year of project implementation will include a early focus on co-financing and private sector mobilization, similarly to the approach taken in other GCIP inspired projects (justification provided clarifies that empirical evidence from other GCIP projects of this nature showed a stronger mobilization during implementation). This is expected to be reported on per guidelines during implementation through PIR and MTR.

4/14/2023 MY:

Not at this time.

The committed co-financing (\$2.05 million) in the CEO approval stage is much less than that (\$5 million) in the PIF- approval stage. Since Namibia is not an LDC, the PM is expecting the agency to continually work with other stakeholders in the country to mobilize more co-financing, particularly from the private sector, for the project.

Agency Response

Engagement from private sector has been enhanced and additional in-kind and equity contributions of USD 1 293 000 have been mobilized from Namibia's Chamber of Commerce and Industry (NCCI), the investment firm Impact Tank, the entrepreneurship support organization SMEs Compete and the Development Bank of Namibia. A total of USD 3 343 000 has been mobilized for the project. The project will focus on mobilizing additional co-financing from private sector, in particular banks, during the first year.

17.11.23

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is an MSP which uses all leftover GEF7 STAR funding of the country.

Agency Response

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. The status is shown on page 121, in Annex C.

Agency Response

Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request

11/21/2023 RR :

Cleared - the indicators are now the same for PIF and CEO Endorsement. Revision of the methodology will be expected by MTR stage in line with GCIP methodological developments and the approach taken for similar GCIP-inspired projects.

4/14/2023 MY:

Yes. It seems that the change does not remain reasonable.

Indicator 3 Area of land and ecosystems under restoration, benefit is reduced from 6000 ha to 3000 ha.

Indicator 4.3 Area of landscapes under sustainable land management in production systems, the benefit is reduced from 4000 ha to none.

Indicator 11 People benefiting from GEF-financed investments, the benefits of female and male were reduced from 315 and 585 to zero.

Please justify the changes.

Agency Response This was due to incorrect input in the table. The indicators remained the same and should now show as unchanged compared to the PIF.

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is presented on pages 25-30.

Agency Response

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is shown on pages 30-40 of the CEO Approval document.

Agency Response

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

4/14/2023 MY:

Yes. It is shown on pages 40-66 of the CEO Approval document.

Agency Response

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is shown on pages 66-68 of the CEO Approval document.

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is shown on page 68-71 in the CEO Approval document

Agency Response

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is shown on page 71-76 in the CEO Approval document.

Agency Response

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. On pages 76-77 and in the descriptions of individual components, the CEO approval document presents more information on innovation and sustainability.

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is shown on pages 79-80.

Agency Response
Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request
4/14/2023 MY:
N/A

Agency Response
Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request
4/14/2023 MY:
Yes. The information is available in Annexes I and L.

Agency Response
Gender Equality and Women's Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request
12/7/23 :
Noted
12/4/23 : From a policy perspective :

1. On gender: Please incorporate gender considerations in Outputs 3.1.1 and 3.1.2

4/14/2023 MY:
Yes. The information is available in Annexes J.

Agency Response

Gender consideration have been included in: Annex A for output 3.1.1 & 3.1.2 and in the following sections: 125, 126, 127, 128, 129 and Table 5 Outcome 3.1.

12/06/2023

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

11/21/2023 RR:

Cleared.

The added co-financing remains low and lower than expected but the provided co-financing letters show a clear alignment with project objectives. Additionally, as noted in section 5.3 of this review sheet, the first year of project implementation will include an early focus on co-financing and private sector mobilization, similarly to the approach taken in other GCIP inspired projects (justification provided clarifies that empirical evidence from other GCIP projects of this nature showed a stronger mobilization during implementation). This is expected to be reported on per guidelines during implementation through PIR and MTR.

4/14/2023 MY:

Yes, but not completed.

In the PIF, the private sector is expected to provide \$2.8 million co-financing, including \$1.8 million investment and \$1 million in-kind. But in the CEO approval document, only \$0.3 million in-kind co-financing from the private sector is expected. Please continue engaging the private sector to get more co-financing for the project.

Agency Response

Engagement from private sector has been enhanced and additional in-kind and equity contributions of USD 1 293 000 have been mobilized. Resulting in a total of USD 1 593 000 co-financing from private sector.

17.11.23

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. On pages, 92-100 the document shows potential risks and approaches to mitigate the risks.

Agency Response

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. On pages 100-103, the document shows institutional arrangement for project implementation.

Agency Response

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. As described on pages 103-106, the project is well aligned with the country's strategies in climate change mitigation and land degradation neutrality.

Agency Response

Knowledge Management

Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is shown on pages 106-109.

Agency Response

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. The analysis results are shown in Annex K Environmental and Social Management Plan.

Agency Response

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. The information is presented on pages 109-110.

Agency Response

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Not completed, please estimate the number of new jobs to be created, the number of men and women to get benefits from the project. These numbers will help completion of the project indicators.

Agency Response

The number of new jobs created as well as the men and women benefiting from the project were added.

17.11.23

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

12/7/2023:

Noted

12/4/23 : from a policy perspective

4. On the PMC: the co-financing contribution to PMC is not proportionate compared with the GEF contribution to PMC. If the GEF contribution is kept at 10%, for a co-financing of \$3,158,000 the expected contribution to PMC must be around \$315,800 instead of \$185,000,000 (which is 5.8%). As the costs associated with the project management must be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion
5. On the budget: Project Coordinator and Project Assistant are being charged across components and PMC. Per Guidelines, the costs associated with the project's execution must be covered by the GEF portion and the co-financing portion allocated to PMC. Please revise.

4/14/2023 MY:

Yes. Annexes A-H are attached to the CEO approval document and saved in the project document folder in the GEF portal.

Agency Response

4) The co-financing contribution to PMC has been increased to USD 335,000.

5) PMU costs for the Project Coordinator and Project Assistant are now only being charged under M&E and PMC. The M&E costs for the PMU includes preparing the M&E plan and regular reporting. As the project does not intend to recruit a designated M&E Expert throughout the project, some of the M&E activities such as creation of M&E plan and annual reporting (PIRs) are part of Projects Coordinator (PC) and Project assistant (PA) activities. Thus, a small portion of PC and PA activities are charged under M&E. The project will recruit the PC and PA with the required M&E competences, please find their ToR's attached. TORs for PC and PA have been uploaded as an attachment under Supporting Documents.

12/6/2023

Project Results Framework

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is presented in Annex A

Agency Response

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. Council comments were addressed in Annex B.

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. STAP comments were addressed in Annex B.

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is shown in Annex C

Agency Response
Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

Yes. It is in Annex D.

Agency Response
Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response
Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

4/14/2023 MY:

N/A

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

12:7/23:

Comments have been taken into account, CEO ER is recommended

12/4/2023 RR: From a policy perspective :

1. On gender: Please incorporate gender considerations in Outputs 3.1.1 and 3.1.2
2. On project information: please correct the expected implementation start to a future date and adapt the expected completion date to match the duration of the project.
3. The amount, in table B, for component 3 (\$40,000) does not match what is stipulated in the budget table provided in Annex E (\$2,000). Please correct where necessary.
4. On the PMC: the co-financing contribution to PMC is not proportionate compared with the GEF contribution to PMC. If the GEF contribution is kept at 10%, for a co-financing of \$3,158,000 the expected contribution to PMC must be around \$315,800 instead of \$185,000,000 (which is 5.8%). As the costs associated with the project management must be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion
5. On the budget: Project Coordinator and Project Assistant are being charged across components and PMC. Per Guidelines, the costs associated with the project's execution must be covered by the GEF portion and the co-financing portion allocated to PMC. Please revise.

4/14/2023 MY:

No. Please address the comments in the above boxes, with focuses on co-financing and private sector engagement.

Review Dates

| | Secretariat Comment at CEO Endorsement | Response to Secretariat comments |
|---|---|---|
| First Review | 4/14/2023 | |
| Additional Review (as necessary) | 11/21/2023 | |
| Additional Review (as necessary) | 12/7/2023 | |
| Additional Review (as necessary) | | |
| Additional Review (as necessary) | | |

CEO Recommendation

Brief reasoning for CEO Recommendations

This project is recommended for approval

The objective of this project is to promote the acceleration of high-impact clean technology innovation for large-scale deployment and creation of green jobs in informal settlements and peri-urban areas of Namibia. The project seeks \$898,060.00 of GEF funding excluding agency fees and will mobilize \$3,343,000.00 of co-financing. The project is expected to achieve 45,000 t-CO2 eq and 225,000 t-CO2 eq for direct and indirect emission reductions respectively. It is also expected to achieve 6000 ha of land and ecosystems under restoration, including 3,000 ha of degraded agricultural lands under restoration and 3,000 ha of forest and forest land under restoration. It is also expected to reach 4000 ha of landscapes under sustainable land management in production systems.

The project has three components: (1) Transforming early-stage innovative cleantech solutions into scalable, commercial enterprises; (2) Cleantech innovation and entrepreneurship ecosystem (CIEE) strengthening and connectivity; and (3) Knowledge management and project coordination. It aims to build on existing initiatives, linking with the GCIP.

The project will promote an innovation and entrepreneurship ecosystem in Namibia by: (i) identifying and nurturing innovative cleantech ideas into enterprises (cleantech is defined as products or services that bring significant benefits to climate change mitigation and/or sustainable land and forest

management); (ii) strengthening the national capacity within institutions and partner organizations for the sustainable implementation of the cleantech CIEE and accelerator approach; (iii) supporting and working with national policy makers to provide a conducive policy framework for entrepreneurs; and (iv) engaging with GCIP Global with the aim to enabling international scale-up and networking opportunities.

The project design has allowed to further details points identified at PIF stage, including on co-financing in particular from the private sector, and on core indicators, some of which will continue to be further detailed and monitored before and during execution:

Regarding co-financing, although significant efforts were made to identify additional private sector co-financiers whose contributions are aligned with project objectives, as the co-financing amount is at this stage not as high as expected at PIF stage, justification has been provided on how additional co-financing will be mobilized including through an early stage focus on private sector mobilization, based on the experience of passed similar projects.

GHG emission calculation methodologies being still explored as part of the GCIP project, estimates from PIF stage were used, with added detail and transparency. It is expected that this application of cleantech specific methodologies will be done during implementation and monitored, including at MTR stage.