Yield Lab Opportunity Fund I: Accelerating technology and local innovation for sustainable and decarbonized food systems in Latin America and the Caribbean.

Review PIF and Make a recommendation

Basic project information

GEF ID

11066

Countries

Regional

Project Name

Yield Lab Opportunity Fund I: Accelerating technology and local innovation for sustainable and decarbonized food systems in Latin America and the Caribbean.

Agencies

IADB

Date received by PM

3/16/2023

Review completed by PM

5/5/2023

Program Manager

David Elrie Rodgers

Focal Area

Multi Focal Area

Project Type

FSP

GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET

1. General Project Information / Eligibility

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments

DER/TK: Yes. Consider replacing the word Escalating in the title to Accelerating. To some readers, escalating has negative meanings.

DER/TK: May 4, 2023. Comment cleared.

Agency's Comments

Yes, the title has been changed to: Yield Lab Opportunity Fund I: Accelerating technology and local innovation for sustainable and decarbonized food systems in Latin America and the Caribbean.

2. Project Summary

Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?

Secretariat's Comments DER/TK: Yes. . Fostering sustainable food systems in Latin America, the Project will finance and mentor a portfolio of up to 30 agro-technological startups in early stages that will receive equity and specialized support of between US$ 175,000 and US$ 2,000,000, with the possibility of additional investments in subsequent rounds and strategic assets in the process of growth and regionalization of the business. The Fund will complement other Venture Capital Funds such as AgVentures, which received GEF funds under the NGI window during GEF-7, which typically invest in later stages and target more developed start-ups, offering bigger ticket sizes

Agency's Comments

3 Indicative Project Overview

3.1 a) Is the project objective presented as a concise statement and clear?
b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?

Secretariat's Comments

DER/TK. Yes. through an equity investment in The Yield Lab Latam Fund of US$ 6 million. Particularly, the Project will invest in the new YLL Fund (?YLL Opportunity Fund I?) by which up to 30 agro-technological startups, in early stages will receive smart capital investment and specialized support of between US$ 175,000 and US$ 2,000,000, with the possibility of additional investments in subsequent rounds and strategic assets in the process of growth and regionalization of the business. The objective of this investment is to capitalize the YLL Opportunity Fund I, together with other investors, to channel entrepreneurial capital to agrotech startups in Latin America and the Caribbean (LAC).

Agency's Comments

3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?

Secretariat's Comments

DER/TK: Yes.

1) It is noted that women-men beneficiary ratio is at 30%-70%. In line with promoting women?s empowerment and gender equality, it is requested that Agency consider to review and increase this ratio at CEO endorsement stage.

2) The knowledge management component is briefly described. At the time of CEO endorsement, significantly expand documentation on the knowledge management and communication activities. Consider publishing case studies and other training material based on lessons learned from the Yield Lab experience.

Agency's Comments

3.3 a) Are the components adequately funded?

b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments DER/TK: Yes, PMC cost requested is zero, which is appropriate for Blended Finance projects.

Agency's Comments

4 Project Outline

A. Project Rationale

4.1 SITUATION ANALYSIS

a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?

b) Are the key barriers and enablers identified?

Secretariat's Comments DER/TK: Yes.

Agency's Comments

4.2 JUSTIFICATION FOR PROJECT

a) Is there an indication of why the project approach has been selected over other potential options?

b) Does it ensure resilience to future changes in the drivers?

c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?

d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments

DER/TK: Please address the following issues.

1. Although the current situation and baseline scenario have been described, please clarify if additional data is available to justify the reasoning, such as number of existing Venture Capital funds provided, number of entrepreneurs who received

them, description of the impacts funds had in the region, etc., and whether those numbers are sufficient to meet the demand.

2. The proposed the mentorship/training is a great idea. Please clarify that a well-defined selection process will be used that includes achievements and milestones, short-medium and long term goals

DER/TK: May 4, 2023.

1. Thanks for the helpful background. Comment cleared.

2. Thanks for the clarification. Comment cleared. During project preparation please include additional details on the linkage between the mentorship program and the investment pipeline.

Agency's Comments

1. Since 1996, IDB Lab has invested in over 90 Venture Capital (VC) funds in the region, with an aggregate amount of US$ 365M. Of those, 55 actively invest as of 2021, resulting in an indirect portfolio base of more than 400 companies and six unicorns. Furthermore, IDB has an annual open call for VC Funds, with over 100 applicants. However, less than 10 of those VC Funds are from the agtech or foodtech sector, showing that this sector is still developing in the Venture Capital Field.
These statistics provide useful annual data on the ecosystem development over the years. All this offers IDB Lab a general and specific view of the evolving context, the needs, and the successful cases in the region.

VC investments in Latin America have increased in the last decade. In 2021, venture investment reached US$ 15.7B, more than 3x the previous record 2019. Brazil and Mexico strongly lead the VC investments with around 50% of deals and USD million invested, but there are emerging markets all over Latam. Nevertheless, from 1095 deals in 2021, only 28 were from agtech and 34 from foodtech. Of all VC impact funds in Latam, The Yield Lab proposes a unique approach with its early entry approach to support early-stage startups that would not receive funding otherwise.

Despite good numbers in the past decade, venture capital investment in Latin America experienced a decrease in 2022. Data also points out that while VC has slowed, other venture instruments, such as venture debt, have continued to grow. But in an urgent context of accelerating tech innovation in Latam in critical sectors such as climate tech or agtech and foodtech, it is essential to maintain and support VC Funds like The Yield Lab, providing responsible platforms for impact investing.

According to Fund Managers, during the origination process, usually up to hundreds of startups are analyzed, and very few are shortlisted to the investment pipeline. Most of the time, the final number in the Fund's portfolio is a result of resources available and not about a lack of startups' readiness for scaling up from the hundreds analyzed.

2. The following information is part of the Yield Lab actions and activities related to mentoring and developing the innovation ecosystem.

The Yield Lab Latam is a niche player focused on agrifoodtech with:

1. Global visibility from The Yield Lab network composed of VC funds in USA, Europe, Asia Pacific, and Latin America and The Yield Lab Institute, the non-profit Think Tank developing ecosystems globally.
2. Regional Footprint of 12 multicultural professionals spread out through 4 offices (Argentina, Brazil, Chile, and Mexico), with a mapping +1700 agrifoodtech startups in LAC, managing 19 portfolio companies covering 7 countries (Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay)
3. Local Engagement: We develop a relationship platform connecting key local players: founders, investors, and ecosystem players.

Our Local Engagement is driven by the following:

1. Founder proximity: Hands-on involvement via structured programs. The first and more important is the ?Scale Up Program?: Part of the Scale-Up Process, the Scale-Up Program is the first of our Local Engagement Platform efforts to provide our Founders not only content on alignment and execution tools but the basis for a hand on, ongoing relationship with them to provide support, guidance, and mentorship. Built from a professional investor perspective, the Scale-Up Program uses a capacity-building approach to equip portfolio company founders with the critical strategic and operational capacities fundamental to a Series A roadmap.
2. Investor Grassroots: Our investors are change agents. Most of them are industry incumbents such as farmers, input providers, CPGs, and impact investors, among others.
3. The Innovation Engagement Program is the second of our Local Engagement Platform efforts through which our Incumbent Investors can connect, engage, and partner with YLL?s network, investors, portfolio companies, and ecosystem players. Through structured and interactive sessions, the program focuses on identifying the specific pain points raised by investors and matches them with different solutions.
4. Ecosystem capillarity: The Yield Lab, as a network, identifies needs related to how ecosystems work. The Yield Lab supports this mission through different actions: Studies about ecosystems and recommendations to improve them, acceleration programs, open innovation challenges, and roundtables on AgriFoodTech and Innovation.

   More information about the mentoring and ecosystem development activities is available upon request.

5 B. Project Description

5.1 THEORY OF CHANGE

a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?

b) Are the key outputs of each component defined (where possible)?

Secretariat's Comments DER/TK: Yes.

Agency's Comments

5.2 INCREMENTAL/ADDITIONAL COST REASONING

Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat's Comments

.DER/TK: In general, the role for startup equity is well understood. For this project, additional detail is needed.

1. The proposal explains that the startup ecosystem of agrotechnology in the region is still emerging, and entrepreneurs find themselves with limited availability of capital, mentoring, and specialized advice in the sector, adding that existing resources are more focused on startups in more mature stages. A clarification of the reasons for that and why the YLL fund will be successful in that context will be welcome.
2. As the YLL already exists since 2017, more clarity on why GEF support is now needed will be welcome to better justify the project. Is it "only" to leverage additional investors?
3. On the technologies: The proposal says the YLL fund will "enable climate mitigation in high carbon-intensive food segments". Such characteristic should be clearly presented as it will be a crucial selection criteria of the supported startups (which technologies exactly and how they provide CCM benefits at the scale we need to justify CCM focal area investments. In general, it is difficult to understand how concretely the CCM benefits will be generated.

DER/TK: May 4, 2023.

1. Very helpful. Comment cleared.

2. GEF?s added value well articulated. Comment cleared.

3. Thank you for the clarifying the High carbon-intensive food segments. Nevertheless, High carbon-intensive food segments don?t necessarily mean High climate mitigation potential, especially if the only modality is through increased productivity using fewer resources. Please ensure that this factor is accounted for in the analysis for GEBs under core indicators (see box 5.4)

DER/TK: May 15, 2023.

3. Comment cleared.

Agency's Comments

1. As mentioned in the project justification section under 4.2., the agtech and foodtech sector is still in nascent stages in the Venture Capital Field and little targeted funding and support is available.

The Yield Lab Latam Opportunity Fund was designed considering the AgriFoodTech development in Latin America. This is the third Fund of YLL; the 1st one was an Accelerator Fund with pre-seed and seed investments; the 2nd one was the Warehousing Fund with seed to series A investments and the 3rd Fund, Opportunity Fund, is a multi-stage fund from seed to series B investments.
YLL has been screening AgriFoodTech startups since 2012 in Latin America and now has a proprietary database with more than 1700, analyzed +900, and invested in 19 across 7 countries.
With the Opportunity Fund, YLL will invest in up to 30 companies and more than 42 transactions (considering follow-on investments)

The market-making efforts developed by Yield Lab Latam and Yield Lab Institute in Latin America help develop the AgriFoodTech ecosystems with local players, working with startups, investors, and ecosystem players.
The Yield Lab has vast experience globally and in Latin America. The characteristics of this fourth Fund are the result of what the context needs and what is necessary to end with good results. In this case, a multi-stage fund allows them to support early stage and following stages to complete the maturing cycle in startups. For these reasons we strongly believe that the Yield Lab Opportunity Fund I will be successful in the current and evolving VC context.

2. Besides the leverage additionality, which is greatly important, having GEF as part of the investors will provide additionality on 3 levels:

- Integrated impact efforts. Having GEF investment and going through the project design phase will enable the Fund to achieve deeper impact. Agtech, foodtech, and climate tech are huge sectors, and GEF alignment in the project decreases the risk of a portfolio being too broad and not intentional. This will help understand the relationship between each of the startups conforming the portfolio with the bigger picture in each project focal area. The GEF process will help the Fund to be more intentional within the investment sectors in the portfolio and have a more significant impact during the project implementation and in the long-term.
- Also, the GEF investment requirements guide The Yield Lab to establish a measurement system and develop measurement under standardized methodologies for impact indicators of GEBs. This will create capabilities in the Fund and with other impact funds worldwide. The accompaniment and support to the Fund in structuring the project with GEF funds will simultaneously promote a process of professionalization and maturation in environmental issues.
- Having GEF as a long-term partner in the project will provide stability and continuous guidance to support the clients during the implementation of innovative agricultural technologies to achieve the desired GEBs.

3. High carbon-intensive food segments are primarily livestock (cattle in particular) and extensive crops (soy, maize, wheat, etc.); these are the dominant activities in Latin American agriculture, especially in Brazil, Argentina, and Chile, which is where most of our companies operate, and therefore the activities that they are looking to optimize through their technologies.
The most significant way YLL's portfolio companies promote carbon change mitigation is through improved tracking and forecasting, allowing for increased productivity using fewer resources and greater resilience to climate change.

Across YLL's existing portfolio, 1.5M hectares were being optimized in 2022, with technologies allowing farmers to increase their productivity while reducing the use of inputs and water. Kilimo's technology alone saved 50 billion liters of water last year. Botanical Solution bio-inputs displaced 525,000 kg of synthetic input.A less direct, but essential way companies promote climate change mitigation is through increased access to financing, which allows farmers to transition to climate-smart agricultural practices. YLL's portfolio companies are currently helping ~ 1 thousand producers with financing.

Agency responses May 12, 2023, responding to GEFSEC comments May 4, 2023, point 3:

The technologies mentioned in our previous response, which will increase productivity and transparent tracking of high carbon intensive food sectors, will be applied in tandem with tech-based innovation for soil health diagnosis and optimization, silvopastural systems and agroforestry, genetics, farm precision, meteorological forecasting, and other innovations, with the potential of substantial climate change mitigation, better sustainable practices as a whole in the agrifood sector and avoiding deforestation and changes in land use. The specifics about the relation between high carbon-intensive food segments and the climate mitigation potential are considered in the GEBs. For the next phase, preparing for the CEO Endorsement, further detail will be provided about the innovations in the high carbon intensive food segments, to ensure substantial climate change mitigation in these sectors, and the GEBs will be validated to secure the right estimation based on specific innovations in the portfolio.

5.3 IMPLEMENTATION FRAMEWORK

a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?

b) Comments to proposed agency execution support (if agency expects to request exception).

c) is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area

d) are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?

Secretariat's Comments DER/TK: Yes.

Agency's Comments

5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?

b) Are the project?s indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?

Secretariat's Comments

DER/TK: Yes. Please address the following issues:

1. Under sub-indicator 4.4.3 please provide the calculations to asses the number of hectares under improved practices
2. The GHG emission mitigation potential is not fully clear. Please note the objective 1.4 of the CCM FA is: "1.4. Promote Nature-based Solutions with HIGH mitigation potential." The focus of the project is aligned with GEF strategy but we need more assurance the selected startups will have such high mitigation potential. Which agri-technology pathways are prioritized? How will the investments be selected? What track record from Latam can document this? The expected result appears relatively low considering the GEF investment and co-financing.
3. For indicator 6.1, as per GEF guidelines, the duration of accounting for the GHG emission mitigation should be 20 years (and not 10).
4. The methodology used for the assessment remains unclear despite some assumptions in the GEB section. It should be a well recognized methodology and the calculation should be presented. Please clarify.
5. We don't find the same results for GHG emission mitigation in the table under the "Indicative Project Overview "and in the GEB section. Please clarify
6. For indicator 6.2, please clarify how emissions avoided outside of AFOLU will be generated? What technology pathways are included?
7. For indicator 9, please correct erroneous entries in the sub-indicators.
8. The project may also want to consider as one of the outcomes from investment, the reduction of the use of agricultural plastics throughout the value chain of the agricultural products.

DER/TK: May 4, 2023.

1. Detailed analysis provided. Comment cleared.

2. Thank you for the clarification. Cleared.

3. Thank you for the amendment on the duration of accounting. Cleared.

4. The documenting of CCM benefits under core indicator 6 needs to be consistent across the document. In footnote 3 of the project objective, it appears annual GEBs of 5,495,200 tCO2 are reported for 6.1 and 6.2 when the total project value should be used. In the core indicator table, the annual figure of 5,495,200 is presented, but without an explanation as to how the total project 20 year period equates to 58,519,900 tCO2e as recorded in the table for 6.1 Without seeing a calculation, the target looks overly ambitions, and may need to be adjusted for conservative analysis at this stage of the project given the uncertainties. Please provide the calculation as requested in the previous review.

5. Thank you for the amendment. Cleared.

6. Cleared.

7. Corrected.

8. Cleared at this stage. Consider during project preparation if monitoring of plastics reduction would allow for reporting of GEBs against this indicator.

DER/TK: May 15, 2023. Thank you for the detailed analysis. Comment cleared.

Agency's Comments

In general, for the GEBs calculation, The Yield Lab is following a top-down approach using formal sources such as IPCC, FAO, and World Bank, among others. This is being complemented by a bottom-up strategy using the startups currently in the portfolio, the agri-technology innovation verticals, and the impact indicators, which are explained in the following comments. In addition, for estimating the exponential impact of startups, the Moore adoption technology curve is being used for the calculations.

These explanations have been included in the PIF in the methodology section under indicators.

•Total number of direct beneficiaries: 236,250 (out of a total of ~15 Million small farm holders in Latin America and the Caribbean).
•Average farm size in hectares: 165: Estimation based on a series of research reports (considering the mix of extensive and intensive farm operations and the spectrum of farm sizes across countries of Latin America and the Caribbean, with adjustments based on the fund's target geographic mix)
•Percentage of area effectively under sustainable land management: 35%: It is assumed that for different factors, only a third of the area is effectively under sustainable land management.
•Projection along the fund's lifetime (assuming Year 1 is the first full year after the final closing):
Considering GEF comments, the data was corrected to align in all sections. For the PIF the calculation in a conservative scenario means 5,495,200 tCO_2 (10 years), and around 10,990,400 for the projection to 20 years. This calculation was based on a top-down approach.
These numbers were updated in the core indicators section.
These numbers were updated in the PIF.

1. Regarding 4.3. "Area of landscapes under sustainable land management in production system": First of all, The Yield Lab defines "sustainable land management" as: (i) farming areas which apply a combination of different farming practices and/or technologies that result in soil conservation and restoration, reduced use of chemicals, improved management of water resources, protection of biodiversity and increased resilience against climate change. And, ii) These farming practices include no till, cover crops, crop rotation

and variable planting and fertilization. Technologies include the application of precision agriculture tools, the use of biobased crop protection and crop nutrition products, and optimized farm labor, as well as precision irrigation solutions, among others.

The calculations follow these assumptions:

i) It starts by considering the number of micro, small and medium-sized farms/growers estimated to benefit from agtech solutions provided by portfolio companies.
ii) The beneficiaries include micro, small and medium-sized farms/growers that are expected to be users/clients of the solutions offered by the fund's portfolio companies.
iii) It includes productivity-increasing AgTech solutions and climate-resilience AgTech solutions, which are considered to enable sustainable land management.
iv) It considers the area these farmers operate, and estimates which of that area may be effectively under sustainable land management as described herein.
v) We assume that the fund will invest in 27 companies across the broad AgriFoodTech space.
vi) We assume that 70% of those companies will provide solutions to the agriculture sector, particularly for farming activities.
vii) We assume that 50% of them will deal with corporate clients (with multiplication factor on indirect beneficiaries) and 50% will deal with micro, small and medium-sized farms/growers (not exclusive).
viii) We assume that those dealing with micro, small and medium-sized farms/growers can reach 5,000 users along the lifetime of the fund.
ix) We assume that those dealing with corporates, will have at least 10 corporate clients and with a factor of 2,000 indirect beneficiaries each).
x) We assume a gradual growth to the target on Year 10.

Calculations:
For Year 1, thinking a 10% project impact = 23,600 farmers, for a Total Area of 3,894,000 and an Effective Area of 1,362,900.
For Year 5, with an advance of 50% = 118,100 farmers, for a Total Area of 19,486,500 and an Effective Area of 6,820,300.
At the end of the project at t=year 10 it is expected 236,300 farmers, for a Total Area of 38,989,500 and an Effective Area of 13,646,300.

This updated information has been included in the PIF in the methodology section under indicators.

2. In addition to the investment thesis, YLL designed an impact model for decision-making and prioritization of technological innovations in order to achieve the minimum expected impact at the end of 12 years. A matrix was designed to find the intersections between the verticals of technological innovation, the impact and its indicators. Likewise, the model identified the relationship between different positive outcomes of the portfolio and its possible contribution to the Global Environmental Facility. Each portfolio startup

already invested by YLL was mapped in this matrix. It is a tool for decision-making and investment prioritization to obtain the expected impact.
The matrix takes into account 12 agri-technology innovation verticals: 1. Crop Genomics and Protection Nutrition tech, 2.Novel Farming Systems, 3. Farm Management & Information & Education Services, 4. Farm Mechanization & Automation, 5. Big Data & Precision Farming, 6. AG Platforms for trading, outsourcing & finance, 7. Bioenergy, Biomaterials & other renewables, 8. Supply chain Tech, 9. Food Processing Technologies, 10. Innovative feed, food, and beverages, 11.Tech for restaurants, Food retail, and 12.Tech-based Sales channels. For further detail, please see an illustrative example of the matrix in the Addendum 1 "Impact Model".
These explanations have been included in the PIF in the methodology section under indicators.

3. The calculations were updated to 20 years in the PIF and estimated, adding a bottom-up approach with information from the current portfolio companies. The new calculation is 58,519,900 metric tons of CO_2 mitigated directly. For the CEO Endorsement phase, a detailed verification will be developed.

4.
The GEBs calculations were presented using a top-down strategy and acknowledging that a certain level of uncertainty is present because the project's impact is based on startups scaling up. The projections were complemented by a bottom-up strategy, from the startups already invested, and the ones expected to complete the portfolio. At this point, calculations are using sources from IPCC, FAO, World Bank and other recognized sources. Nevertheless, understanding the complexity of these calculations and considering this is the first time YLL develops this type of estimations, further verification will be undertaken to be included in the CEO endorsement document. This process will be developed with a consultant specializing in environmental benefits calculations to verify each of the GEB calculations and their projections over time, including the scaling projections. For this verification process, standardized methodologies, such as the GEF Guideline on GHG accounting and Reporting, the IDB publication on GHG Accounting Material and the GCF Methodology for GHG emissions will be used, complemented by other environmental benefits calculations according to the agri-technological innovations targeted in the portfolio. These explanations have been included in the PIF in the methodology section under core indicators.

5. The number was verified, and the correct calculations are:
6.1 10,990,400 metric tons of CO_2
6.2 1,649,438 metric tons of CO_2
Total indicator: 60,473,500 metric tons of CO_2

6. The project's direct and indirect impact inside or outside of AFOLU will be generated through the support of agtech and foodtech innovation (the 12 innovation verticals specified before) and the innovation ecosystem. The targeted outcomes are: 1.Reduce emissions footprint/ 2.Reduce water footprint/ 3.Reduce wasteful practices/ 4.Reduce input footprint/ 5.Improve soil health/ 6.Protect biodiversity/ 7.Provide safe food/ 8.Provide nutritious food/ 9.Provide healthy food/ 10. Provide market access/ 11.Provide financial inclusion/ 12.Provide education inclusion. From the list of outcomes in the Impact Model, which is annexed for reference, it is possible to see which ones contribute to the Global Environmental Benefits.

7. Projected volume of chemical pesticides replaced, thanks to the solutions offered by the fund's portfolio companies 5,226.

8. The project is not adding a GEB indicator for plastic reduction because it is not included in the main tech innovations identified and because IDB Lab is currently designing a new GEF proposal for the second NGI call in 2023, with a regional project entirely focused on plastic reduction.

Agency Responses May 12th, 2023, responding to GEFSEC comments May 4, 2023 on point 4:

Considering GEF comments, the data was corrected to align in all sections. The calculation for 6.1. in a conservative scenario means 5,495,200 tCO2 (10 years), and around 10,990,400 for the projection to 20 years. This calculation was based on a top-down approach.
The previous number offered (58,519,99 tCO2) was an optimistic scenario calculation based on a bottom-up approach. However, since this optimistic scenario is not validated yet, the conservative one will be taken into consideration at the PIF level.

Further verification will be developed for all GEBs for CEO endorsement.

Footnote 3 in project objective was updated and aligned with the adjusted numbers under core indicators 6.1. and 6.2. using the conservative scenario, and an explanation was added in the core indicators section.

About the current estimation for 6.1 and 6.2, the project is based on the following calculations:

6.1 Carbon Sequestered or Emissions Avoided in the AFOLU sector.

a. Definition and criteria considered for The Yield Lab Latam Opportunity Fund:

- Solutions that allow carbon sequestration and/or that allow avoidance of emissions including optimization of inputs used through precision agriculture, replacement of

chemical inputs (insecticides, pesticides, fertilizers) with biological inputs or biofertilizers, livestock methane reduction and optimization of machinery used in farm.

- We are aware that many of the solutions will help to drive more sustainable farming practices, which can allow for carbon sequestration in the soil. We have included an initial estimate to account for a conservative impact on this area.

- For this high-level estimation, we are considering the current emissions from agriculture, but we do not project the evolution of the total emissions over lifetime.

b. Key initial assumptions:

- Total greenhouse gas emissions (Tons of CO2 equivalent) - Latin America & Caribbean (3,237,160,000)

- Proportion of emissions from agriculture and livestock, and land use (47%)

- Total agriculture and livestock activities and land use greenhouse gas emissions (Tons of CO2 equivalent) ? Latin America and the Caribbean (1,521,465,200), of which the portion attributed to changes in land use and forestry activities is 45%, and the portion attributed to agriculture and livestock activities is 55%.

c. Calculation:

Total agriculture greenhouse gas emissions (Tons of CO2 equivalent) Latin America & Caribbean.

1) Carbon sequestration through sustainable agriculture land management

Considering the number of hectares under sustainable land management in production systems multiplied by the potential tons of CO2eq/ha sequestered over the baseline per year, based on the sustainable land management practices by portfolio innovations. (3,411,575)

2) Replacement of chemical inputs (insecticides, pesticides, fertilizers) with biological inputs or biofertilizers.

For this, the total agriculture greenhouse gas emissions (Tons of CO2 equivalent) - Latin America & Caribbean, were considered, multiplied by the *% of CO2eq emissions coming from synthetic fertilizers (% of agriculture and livestock CO2eq emissions). The result will then be multiplied by a high-level estimation on the potential reduction impact that solutions can have on these emissions, and by a high-level estimation on the potential that the fund's portfolio companies can capture of this reduction. The result is 652,709 tons of C02 equivalents.*

3) Livestock methane reduction (enteric fermentation)

This is the result of the % of CO2eq emissions coming from enteric fermentation (% of agriculture and livestock CO2eq emissions), multiplied by a high-level estimation on the potential reduction impact that solutions can have on these emissions, and by a high-level estimation on the potential that the fund's portfolio companies can capture of this reduction. The result is 1,405,834 tons of CO2 equivalents.

4) Optimization of machinery used in farming.

For this, total agriculture greenhouse gas emissions (Tons of CO2 equivalent) - Latin America & Caribbean, were considered, multiplied by the % of CO2eq emissions coming from agriculture machinery in the farms (% of agriculture and livestock CO2eq emissions) from the potential innovation in the startups. This was multiplied by a high-level estimation on the potential reduction impact that solutions can have on these emissions and a high-level estimation on the potential that the fund's portfolio companies can capture of this reduction. The Result is 25,104 tons of C02 equivalents.

From these calculations, it was possible to estimate the total projected carbon sequestration and/or emissions to be avoided (tons of CO2eq per year) of 5,495,200. (10 years), and 10,990,400 projected to 20 years. Assuming Year 1 is the first full year after the final closing and a growing level year by year.

6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector.

a. Definition and criteria considered for The Yield Lab Latam Opportunity Fund: We consider solutions that allow carbon sequestration and/or that allow avoidance of emissions including:

- Reduction in food and agriculture supply chain emissions (i.e. optimization of production transportation outside the farm gate).

- Upcycling of biomass and production of bioenergies.

- Reduction of foodwaste.

b. Key initial assumptions:

- Total global greenhouse gas emissions (Tons of CO2 equivalent) from agriculture and livestock and agriculture land use. (10,700,000,000)

- Total agriculture and livestock activities and land use greenhouse gas emissions (Tons of CO2 equivalent) - Latin America & Caribbean. (5,800,000,000) multiplied by the proportion to estimate emissions from Latin America agrifood systems (54%)

-The high-level estimation of the potential reduction achieved by the fund is the result of the estimated emissions from Latin America agrifood systems (824,719,454) multiplied by

the potential impact that target solutions can have on these emissions (5%),and then multiplied by the % of the potential impact that can be achieved by the fund's portfolio companies (2%) to get as a result a high level estimation of the potential reduction achieved by the fund (824,719), and then projected to 20 years (1,649,438).

All these calculations will be reviewed by specialists in GEBs calculations in the CEO endorsement phase to avoid any incorrect assumption, using standardized international calculation models for each case.

5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat's Comments

DER/TK: The GEF equity investment will complement and accelerate other investments, drawing in additional private sector participation and helping improve environmental methodologies for agri-food investments. The estimated internal rate of return on GEF funding will range from 13% up to 22.8% depending on the risk and success of the investments. Please address the following issues:

1. The Yield Lab Latam Fund has been founded in 2017. More clarification on the achievements and current portfolio of projects would be very useful to clarify the actual activities on the ground and overall, how they relate with the expected GEBs.Please clarify.
2. Please clarify the investment period in the Annex G.1 Term sheet.
3. What is the expected closing date of the Fund? Is this the same as the raising closing date? Is this the same as January 2024?
4. Also, clarify the proposed project end date, the proposed investment period is it 10 or 12?
5. Clarify GEF's investment position vis a vis other investors, including investment returns and tenors.
6. Given Latam track record, please identify prior investors and likely future investors. If selected information is deemed business confidential, please supply in a separate document and notify us through Portal.
7. Please clarify the proposed date for return of reflows to the GEF Trust Fund. According to Annex G.2, GEF will begin receiving reflows after the first investments mature within 5 years. Please clarify if the GEF reflows will be returned on that schedule and not re-invested in the Fund.
8. The number of startups funded is sometimes listed as 30 and sometimes as 20. Please clarify.
9. Please clarify with precision how much of the USD 6 M requested from the non-grant will be invested per outcome 1 and output 1, and the amount of co-financing allocated for each component
10. Please comment on how IADB chose USD 4 M for its co-financing share. Could more be allocated if the investment pipeline is robust?

11. In the indicative co-financing table, please clarify the meaning of "incumbent investors". Does this mean the beneficiaries of the investment?
12. Will beneficiaries of investments have to meet minimum equity targets to be eligible for selection? Based on the co-financing table, is it accurate to estimate that beneficiaries equity share may be more than 60% of total investment? If so, please explain why equity is so higher and commercial lending is not being pursued? If the co-financing presented includes equity and lending, please describe.
13. In the indicative co-financing table, please clarify the term "Funds of Funds".
14. Please confirm that requested M&E is zero per the project funding table. The amount identified in the Annex G.1 Term Sheet should be assigned to the Agency or co-financing. In blended finance projects, M&E is covered by the Agency's investments in the project or by co-financing.

DER/TK: May 4, 2023.

1. Welcome clarification. Comment cleared.

2. Comment cleared.

3. Comment cleared.

4. Comment cleared.

5. Comment cleared

6. Comment cleared.

7. The response indicates reflows could start as early as 2029 after the closing the investment fund, depending on the schedule of divestment. Annex G.2 has been updated to be in alignment. However, in Annex G.2, the reflow estimates are presented only in IRR (22.8% optimistic scenario) in the final row, ?Total interest/earnings/premiums amount to be paid-reflowed to the GEF Trust Fund.? Please convert the IRR estimate into a US$ amount and enter the amount in this row in Annex G.2.

8. Comment cleared.

9. No need to provide additional detail on financial breakdown between Outcomes 1,2,3, and 4. However, please adjust the GEF investment amount to $6,000,000 and remove $80,000 of GEF funding from M&E.

10. Thank for clarification that IADB investment could increase.

11. Thank you for the clarification that incumbent is used in the business sense of established companies and investors in this sector. Comment cleared.

12. Thank you for the clarification. Comment cleared. During project preparation, please calculate and present the amount of co-financing that will be provided by the beneficiaries of the investments in either equity or other transaction level co-financing.

13. Thank you for clarifying this row refers to a specific investor named ?Fondo de Fondos?. Please replace the entry with ?Fondo de Fondos, Mexican Capital Investment Corporation SA de CV? or a suitable abbreviation.

14. We recognize the revised document adds $80,000 for GEF funding of M&E. Sorry if there was confusion in our discussions of M&E. We anticipate the bulk of M&E activities and costs to be delegated to the Executing Agency partner and included in the administrative costs of the investments. Any additional M&E costs should be covered by Implementing Agency co-financing. Based on Yield Lab Latam?s extensive experience and robust administrative structure, we conclude the Executing Agency should be more than capable of M&E. Please revise.

DER/TK: May 15, 2023

7. Thank you for correcting Annex G.2. Comment cleared.

9. Comment cleared

13. Comment cleared

14. Comment cleared.

Agency's Comments

1. Although individually dedicated to the agrotechnology sector since 2012, the management team formally constituted in 2017 has a regional mapping of more than 1,000 agro-tech ventures, of which it has analyzed more than 60 and has invested in 13 of them. In 2018, it launched its first acceleration fund specialized in investing in early-stage companies in the agri-food sector (called The YLL Accelerator), which invested USD 2.4M of seed capital in 12 companies, including companies from Argentina, Brazil, Chile, and Peru. In 2020, YLL launched its second Fund, called the YLL Warehousing Fund, through which it has invested USD 2.5M in seed, pre-Series A, and Series A capital, in 6 companies. Some notable companies in YLL's investment portfolio include Kilimo, Botanical Solutions, Terramagna, Space Ag, Circular, and Polynatural, among others. This last Fund has just completed its investment period.

The fund manager's investment team has been significantly strengthened in recent years to support the YLL Opportunity Fund I. The manager's team comprises 9 professionals with extensive experience in venture capital investments and the investment industry, including five managing partners: Tomas Pe?a, Roberto Viton, Camila Petignat, Kieran Gartlan, and Santiago Murtagh, who have more than 60 years of experience as private equity investors,

venture capitalists, and as business operators in the agricultural sector. Tom?s, Roberto, and Camila have been working together since 2017, while Kieran joined in 2018 and Santiago in 2020 to support the launch of the third Fund. They have a highly experienced multi-disciplinary team that combines financial, investment, operational, and business skills and comprehensive industry expertise that enables them to support portfolio companies on a technical level and provide specific business advice.
Traction and investment results: Currently, the first Fund has a market value return of a net IRR of 20.6% in USD (multiple of invested capital of 1.4x). At the same time, the overall gross income of the portfolio companies has grown at a rate of 156% per year. Although the second Fund has not made any exits at this point (the investment period just ended, and you have until 2030 to divest), it has already received almost 5x exit opportunities for one of the portfolio companies. As the Fund has not reached the year, with a MOIC (multiple over-invested capital) of 1.9x, the current IRR is 175%. In addition, YLL's portfolio companies raised new rounds from other investors, validating the quality of the portfolio (all of them are still operational).

Furthermore, the current investment portfolio, shows the relation between potential impact startups and the expected GEBs targeted. The list of startups includes: AgroForte, Eiwa, The climate Box, Seedz, Sioma, Kilimo andUcropit. These companies are in the innovation technological verticals of crop genomics, agri-big data precision, farm mechanization and automation, tech trading, farm management, and more. All these investments are the result of more than 1700 startups mapped and screened in the region, providing YLL with valuable experience.

2. Term Sheet: Investment period. The Fund closing date will be ten years from the raising closing date, with the possibility of a two-year extension. The investment period will be five years from the closing date". The closing date will be in December 2023, which means from 2023 to 2028 will be the investment period.

3. The closing date will be in December 2023.

4. The Fund's closing date will be ten years from the raising closing date, with the possibility of a two-year extension. Therefore, the project has a duration of 12 years, starting at the end of 2023 and ending in 2035.

5. GEF will have the same rights and conditions as the other Limited Partners investors. GEF will be one of main investors.

6. The following names are the committed leading investors for the first closure in 2023: Red Surcos S.A, Tondena LTD., Collaborative Fund- Argentina, Collaborative Fund - Brazil, Bimbo, SQM and Nestle Ventures. Likely future investors include European

development banks, private impact investors, and a growing investment from collaborative funds from Brazil and Argentina. Further business confidential details are available upon request.

7. There is no specific date for the return of reflows to the GEF Trust Fund, but it usually is after the first 5 years. In that case, the return of reflows starts after 2029. The Fund would return the capital and gains to LP's quarterly as Fund exists from its portfolio companies. According to our experience, reflows are possible at the end of the project in previous years, from year number 10 to year number 12 of the project.

8. The Yield Lab will invest in a minimum of 20 and a maximum of 30 startups. Some companies were already identified, but some will be determined in the following years because the final number of investments will be decided in the process, following the investment terms and the decision-making process in which GEF will be part of through IDB Lab representation as executing agency of the project.

9. Usually, these types of projects only have one component in line with the VC working structure, but quantitative project outputs were aligned with the impact targets and the core indicators and the Table B in the PIF was adjusted.

10. IDB Lab ticket amount invested vary depending on the money available at the specific year by IDB and the number of investments in VC funds according to the strategy. For 2022, 5 VCs were approved for investment with tickets from US$ 3 to 5 million. It is possible, and it would not be the first time, that IDB Lab also invests directly in some of the startups identified and invested by the Fund.

11. Incumbents are not Beneficiaries. The Yield Lab refers to incumbents as collective group of investors in Argentina and Brazil, and the chart specifies the types of investors.

12.The beneficiaries are the startups receiving investment as part of the portfolio. All co-financing is equity; the co-financing table specifies the Fund investors, not the beneficiaries.

13. A fund of funds is an investment vehicle that invests in mutual funds, exchange-traded funds, or even hedge funds. The name of the investor is Fondo de Fondos, Mexican Capital Investment corporation.

Agency responses May 12, 2023 to GEFSEC comments, May 4, 2023, point 7:
It is important to keep in mind that these are only estimated numbers based on projections. The actual results may vary depending on the performance of the Venture Capital Fund, market and other variables.

Based on the scenarios provided in the term-sheet, and the GEF ticket (US$ 6 M), we can estimate the following:

Base Scenario (IRR 22.8%): The expected return: US$ 13,6M.
Conservative Scenario (IRR 13,1%): The expected return US$ 9.8M.

Further detail about the projection model can be described in the CEO Endorsement document.

This information was entered in Annex G.2.

Agency responses May 12, 2023, to GEFSEC comments May 4, 2023, point 9:

Data in table B corrected, in line with GEFSEC comments.

Agency responses May 12, 2023, to GEFSEC comments May 4, 2013, point 13:
Name replaced with Fondo de Fondos, Mexican Capital Investment Corporation. *For more information, please see:* http://www.fondodefondos.com.mx/fondodeimpacto

Agency Responses May 12, 2023, to GEFSEC comments May 4, 2023 point 14.:
Following your suggestion, the M&E component was corrected in table B with cost 0.

5.6 RISKs

a) Are climate risks and other main risks relevant to the project described and addressed within the project concept design?

b) Are the key risks that might affect the project preparation and implementation phases identified and adequately rated?

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

Secretariat's Comments DER/TK: Yes.

Agency's Comments

5.7 Qualitative assessment

a) Does the project intend to be well integrated, durable, and transformative?

b) Is there potential for innovation and scaling-up?

c) Will the project contribute to an improved alignment of national policies (policy coherence)?

Secretariat's Comments DER/TK: Yes.

Agency's Comments

6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities

6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?

Secretariat's Comments

DER/TK: Yes. Alignment on CCM, LD, CW and Food Systems is well defined, but additional work on indicators is needed.

DER/TK: Please see box 5.4

Agency's Comments Further detail on indicators is provided in section 5.4. Agency's comments.

6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors)

Secretariat's Comments DER/TK: Yes.

Agency's Comments

6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e. BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat's Comments NA

Agency's Comments

7 D. Policy Requirements

7.1 Is the Policy Requirements section completed?

Secretariat's Comments DER/TK: Yes.

Agency's Comments

7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?

Secretariat's Comments DER/TK: Yes. The project provides some information about stakeholder engagement. However, the list stakeholders consulted during PIF development is not fully clear. At time of CEO endorsement, 1) clarify which civil society organizations have been consulted, 2) provide list of names and dates of consultation with different stakeholders, and 3) further elaborate on efforts to develop a Stakeholder Engagement Plan.

Agency's Comments

8 Annexes

Annex A: Financing Tables

8.1 Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

STAR allocation?

Secretariat's Comments NA

Agency's Comments

Focal Area allocation?

Secretariat's Comments NA

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments NA

Agency's Comments

SCCF A (SIDS)?

Secretariat's Comments NA

Agency's Comments

SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat's Comments NA

Agency's Comments

Focal Area Set Aside?

Secretariat's Comments NA

Agency's Comments

8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?

Secretariat's Comments DER/TK: Yes. The PPG requested is zero which is appropriate for a Blended Finance project.

Agency's Comments

8.3 Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat's Comments DER/TK: Yes. See comments in box 3.1.

Agency's Comments

Annex B: Endorsements

8.4 Has the project been endorsed by the country?s(ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?

Secretariat's Comments

DER/TK: As this is a regional project under the Blended Finance window, specific country OFP endorsements are not required.

Agency's Comments

Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat's Comments NA

Agency's Comments

Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat's Comments NA

Agency's Comments

8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?

Secretariat's Comments

DER/TK: The final regional distribution of investment projects has not yet been determined, but will likely feature the following distribution:

•Brazil: 35%
•Southern cone (Argentina, Uruguay, Paraguay, Bolivia): 25%
•Andean Region (Chile, Per?, Colombia, Ecuador): 25%
•Central America and the Caribbean: 15%

1. Please clarify if any indicative country investments have reached an investment stage that would trigger the requirement to notify the OFP.
2. Please clarify the location of the Fund and if the OFP in that Country has been notified.

DER/TK: May 4, 2023.

1 and 2. The agency has confirmed full outreach to affected OFPs will be completed prior to presentation of a project for a work program. Comments cleared.

Agency's Comments

For context, as part of internal IDB Lab processes in 2021, IDB informed the regional manager in Argentina about the project, and non- objection letters from the governments of Argentina, Chile, and Brazil were obtained.
At this point (April, 2023), The Yield Lab Opportunity Fund I reached the investment stage in some startups, Kilimo, Ucropit, and Eiwa in Argentina, Seedz and Agroforte in Brazil, Sioma in Colombia, and The Climate Box in Uruguay.
Currently, IDB Lab is in the process of notifying the OFPs in Argentina, Brazil, Colombia, and Uruguay, and all countries where the project will potentially be investing.

Annex C: Project Location

8.6 Is there preliminary georeferenced information and a map of the project?s intended location?

Secretariat's Comments DER/TK: May 4, 2023. Region is well defined.

Agency's Comments

Annex D: Safeguards Screen and Rating

8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?

Secretariat's Comments

DER/TK: May 4, 2023. On Environmental and Social Safeguards (comment provided by Ikuko): We note that IADB has attached the Safeguard Policy Filter Report and an overall ESS risk of the program is classified as low in the PIF template. However, it is not clear how IDB screened the GEF?s 9 Minimum Standards from this the Safeguard Policy Filter Report and identify the project as low impacts (Risk rating section is blank). In addition, the PIF (Risk to Project Preparation and implementation) states that prior to investment, the Fund will undertake rigorous environmental and social screening and evaluation process. Additionally, in executing phase, a strict monitoring structure will measure results indicators. (page 28) However, there is no clear plan of environmental and social risk management for the project. At the time of CEO Endorsement, please provide plans to 1) assess potential environmental and social impacts of the project and 2) develop an environmental and social management plan and budget for the Fund. (Comment for 5.6 Risks, c))

DER/TK: May 15, 2023. Comment cleared.

Agency's Comments

Agency response May 12, 2023 to GEFSEC comments May 4, 2023:

As an accredited implementing GEF Agency, the IDB Group (including IDB Lab) has its own Environmental and Social Safeguards Policy, which is applied for all its projects, including operations with GEF financing. The Safeguard Policy Filter Report annexed in the roadmap is a requirement for all IDB Group?s operations to be considered for approval. As such, it was used for the Donors Committee approval for IDB Lab?s own investment operation in year 2021. The operation was prescreened according to the requirements of IDB?s Environment and Safeguards Compliance Policy (Operational Policy OP-703) of 29 August 2021.

Based on this screening, it was determined that the project falls under the category B.13. and is being considered a financial intermediation operation (FIs), which have to demonstrate that appropriate environmental procedures are in place so that final recipients of IDB and GEF financing are required to adopt and implement sound and adequate environmental measures. In this sense, it was required that a Environmental Management System (?EMS?) tailored to the particular needs of the operation is performed. Also, a periodic environmental review of a representative sample of projects is required.

At the time of CEO Endorsement, a re-assessment of the potential environmental and social impacts of the project will be performed and the Yield Lab will need to develop an Environmental and Social Management Plan, in accordance with the updated IDB Environmental and Social Policy Framework. Please see the IDBs updated Environmental and Social Policy Framework is annexed in the roadmap.

Annex E: Rio Markers

8.8 Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat's Comments DER/TK: May 4, 2023. Yes.

Agency's Comments

Annex F: Taxonomy Worksheet

8.9 Is the project properly tagged with the appropriate keywords?

Secretariat's Comments DER/TK: May 4, 2023. Yes.

Agency's Comments

Annex G: NGI Relevant Annexes

8.10 Does the project provide sufficient detail (indicative term sheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat's Comments DER/TK: May 4, 2023. Yes.

Agency's Comments

9 GEFSEC Decision

9.1 Is the PIF and PPG (if requested) recommended for technical clearance?

Secretariat's Comments

DER/TK:This project has received a preliminary screening under the Blended Finance Call for Proposals that closed February 27, 2023. The project has merit but requires revisions. The attached review sheet includes the results of the preliminary screening. Additional review and comment on the financial aspects of the project will be developed through consultation with the GEF Advisory Group of Financial Experts. Revised projects should be submitted in a timely manner and will be considered along with all other projects being submitted for the June 2023 work program.

DER/TK: May 4, 2023. Not at this time. Please address the remaining comments and take note of box 9.2.

DER/TK: May 15, 2023. Yes. All comments cleared. This PIF is recommended for technical clearance.

Agency's Comments

9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/ Approval

Secretariat's Comments
DER/TK:

1. Include additional details on the linkage between the mentorship program and the investment pipeline.
2. Calculate and present the amount of co-financing that will be provided by the beneficiaries of the investments in either equity or other transaction level co-financing.
3. Consider during project preparation if monitoring of plastics reduction would allow for reporting of GEBs against this indicator.
4. Enhance ESS as noted in box 8.7
5. Address gender dimensions as noted in box 3.2
6. Enhance knowledge management documentation and planning as noted in box 3.2
7. Enhance stakeholder documentation and planning as noted in box 7.2
8. Regarding core Indicator 11. on Direct beneficiaries. Please review the number to ensure it includes only direct beneficiaries. Pages 24-25 of the GEF-8 Results Measurement Framework Guidelines (GEF/C.62/Inf.12/Rev.01) provide examples of what might be counted as direct beneficiary.

Agency's Comments Duly noted, thank you! We will consider these comments at the time of CEO endorsement/ approval.

Review Dates

	PIF Review	Agency Response
First Review	**3/24/2023**	
Additional Review (as necessary)	**5/4/2023**	
Additional Review (as necessary)	**5/15/2023**	
Additional Review (as necessary)		
Additional Review (as necessary)		