

# Global Cleantech Innovation Programme (GCIP) to support countries to accelerate the uptake and investment in cleantech innovations

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10461

**Countries**

Global

**Project Name**

Global Cleantech Innovation Programme (GCIP) to support countries to accelerate the uptake and investment in cleantech innovations

**Agencies**

UNIDO

**Date received by PM**

2/23/2021

**Review completed by PM**

5/12/2021

**Program Manager**

Filippo Berardi

**Focal Area**

Climate Change

**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

**This item is cleared.**

3/18/2021 PM:

Yes, the project remains aligned with the GEF CCM focal area elements as presented in PFD.

Agency Response

**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

**This item is cleared.**

3/18/2021 PM:

Yes, the project structure/design is appropriate to achieve the expected outcomes and outputs.

Agency Response

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

Secretariat Comment at CEO Endorsement Request 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

**This item is cleared.**

**05/12/21, FB:**

all comments cleared.

3/18/2021 PM:

The ratios of Co-Financing and Investment Mobilized to GEF Project Financing, 9.4:1 and 11.6:1 respectively, are in line with the level of ambition set up by the GEF Co-Financing Policy. Please note and address the following comments:

1. The co-financing amounts and types are adequately documented, and the letters are available at the GEF portal. However, please provide a link to each ?evidence? under ?Evidence? column of Table C.
2. The co-financing portion of the PMC is too low. Please increase the co-financing portion of the PMC so the Co-financing amounts also provide substantial support to the project management costs, ensuring that there is proportionality between GEF and co-financing PMC coverage.

Agency Response

1. Links to the evidence in Table C have been added.
2. The co-financing portion for the PMC has been increased to 1,200,000 USD. This should ensure that the co-financing amounts provide significant support to the project management costs. The co-financing for 1.1 and 2.1 have been reduced slightly but their co-financing ratios still remain high. The changes are shown in Table B.

**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

**This item is cleared.**

3/18/2021 PM:

Yes, it is.

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

**This item is cleared.**

3/18/2021 PM:

Yes, it is.

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

**This item is cleared.**

**05/12/21, FB:**

all comments cleared.

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3/18/2021 PM:

1. Yes, the indicator targets look reasonable for a global child project. However, all GHG emissions to be mitigated by the Project have been included under ?Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector?. Please update this as we understand that some GHG emissions mitigated would fall under Indicators ?6.2 Emissions Avoided Outside AFOLU Sector?, since the project prioritizes cleantech innovations in electric drive technologies and electric mobility, accelerating energy efficiency, decentralized renewable energy power with energy storage, and cleantech innovations related sustainable cities and sustainable food systems.

2. The project will have to report on indicators ?6.3 Energy Saved? and ?6.4 Increase in Installed Renewable Energy Capacity per Technology? through PIR, MTR and TE.

**Agency Response**

1. The project?s GHG emissions mitigated will fall under 6.2 Emissions avoided outside the AFOLU sector. The figures have been re-allocated to 6.2.

2. Monitoring of the indicators for the energy saved and increase in installed renewable energy capacity have been added to the Impact methodology and tracking activity under Output 3.2.1, 3.2.2 and reported under Output 3.2.3 Also ensuring that these indicators are included so that each GCIP child project captures these indicators which then feeds into PIRs, MTRs and TEs. The additions are also reflected in Annex A.

**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

**This item is cleared.**

3/18/2021 PM:

Yes. The main objective of the project is the development of an enabling environment for cleantech innovation and entrepreneurship. The role SMEs can play in tackling climate change as well as the constraints for the development clean tech innovation in SMEs have been well-identified and are shown in paragraphs 1 to 11.

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

**This item is cleared.**

3/18/2021 PM:

Yes. Since 2011, interest in cleantech innovation has grown steadily, and the number of cleantech incubators and accelerators globally is now estimated at approximately 70. Most of these are located in North America and Europe with very few working in developing or emerging economies. In addition, many focuses on software solutions rather than hardware. Best estimates put climate-focused incubators/accelerators at less than 2% of all incubators/accelerators. There are a number of initiatives helping cleantech SMEs but few focuses on developing countries. In 2011, UNIDO, in partnership with GEF, piloted the first Cleantech Innovation Competition for green entrepreneurs and SMEs in South Africa with innovative ideas and concepts in the areas of green buildings, energy efficiency, and renewable energy. Since then, under GEF 5 and GEF 6 cycles, GCIP has been implemented in a total of nine countries, namely Armenia, India, Malaysia, Morocco, Pakistan, Thailand, Turkey, Ukraine and South Africa. By 2019 over 1200 cleantech SMEs had been trained, mentored, and linked to funding opportunities. The proposal clearly identifies other initiatives on the cleantech spaces, and how the proposed GCIP complement them.

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

**This item is cleared.**

3/18/2021 PM:

Yes. The CEO ER describes how GCIP II is being built upon the achievements of the previous iterations of the GCIP in the nine countries where it has already been implemented and how it will address the EIO recommendations of having a programmatic approach to help increase impact and link ecosystems across countries to identify more investment and market opportunities, and to engage with the private sector.

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

**This item is cleared.**

3/18/2021 PM:

Yes, the project prioritizes cleantech innovations in the domains that are fully aligned with GEF 7 priorities i.e. electric drive technologies and electric mobility, accelerating energy efficiency, decentralized renewable energy power with energy storage, and cleantech innovations related sustainable cities and sustainable food systems.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

3/18/2021 PM:

Yes. The additional contributions of the Global Child Project consist on providing programmatic coherence in the design and dissemination of GCIP methodologies and toolkits to the national child projects. In addition, the global child project will ensure that incremental opportunities are provided to participating entrepreneurs for networking, international visibility and linkages with international venture capital. The Global Child Project will support further expansion of the selected cleantech businesses in countries beyond their home markets, enhancing growth prospects and eventually resulting in the generation of additional GHG emission reductions.

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

**This item is cleared.**

3/18/2021 PM: Yes.

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

**This item is cleared.**

3/18/2021 PM: Yes.

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

**This item is cleared.**

3/18/2021 PM: Yes.

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

**This item is cleared.**



3/18/2021 PM:

Yes. This global child project contributes to the overall program impact by creating standardized GCIP global tools, methodologies, knowledge products and infrastructure to support national child projects and by creating extended market opportunities across different countries. This global child project provides global support and an internationally recognized standard for cleantech innovation and it facilitates the connection of ecosystems across countries and promotes the missing partnerships amongst innovators, entrepreneurs, financiers, and policy makers. Moreover, Annex R provides a clear structure of the interrelations between the global child project components, the programmatic pillars and the national child project components.

### 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

**This item is cleared.**

**05/12/21, FB:**

all comments cleared.

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3/18/2021 PM:

Detailed information has been provided in Annex J on the project? Stakeholders Engagement Plan. However, please discuss whether and how the Covid-19 situation is likely to affect the proposed stakeholder engagement plan and, if so, how this will be addressed.

Agency Response The following text has been added to paragraph 194 of the CEO document and the Annex J (Stakeholders Engagement Plan). ?Impacts of Covid-19 on stakeholder engagement: The ongoing impacts of the COVID-19 pandemic (as of March 2021) pose a low threat to stakeholder engagement plan. Possible re-instatement/escalation of COVID-19 containment measures in various locations may

limit travel and/or group meetings, reduce available capacity or effectiveness of project execution/ implementation. In order to mitigate these risks, the project will focus on strengthening the capacity of stakeholders, and especially the beneficiaries and institutional partners, for remote work and online interactions by securing access to commercially available conferencing systems. The current design of the curriculum for entrepreneurs is based on online interactions and deliverables, using webinars and web platforms, and therefore COVID-19 is not expected to pose a significant risk to the conduct of the acceleration cycles and indeed institutional interactions.

**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

**This item is cleared.**

3/18/2021 PM:

Yes, a Gender Analysis has been carried out (Annex K), which includes gender-responsive activities and indicators.

Agency Response

**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

**This item is cleared.**

3/18/2021 PM:

Yes. The private sector is the main target group for the project, and the main areas for interaction with private sector have been identified along with its role as investors. A more detailed strategy for private sector engagement will be developed as part of this global child project under 1.2.1.

Agency Response  
**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  
**This item is cleared.**

3/18/2021 PM:

Yes. The project has identified potential risks and associated mitigation actions, as well as risks and opportunities due to the current Covid-19 pandemic. Annex L provides a detailed Environmental and Social Management Plan (ESMP) in line with UNIDO Environment and Social Safeguard Policy.

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  
**This item is cleared.**

3/18/2021 PM:

Institutional arrangements are sound and it will coordinate with related GEF and non-GEF projects/initiatives. ToRs for the implementing and executing agencies have been provided in Annex M.

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

**This item is cleared.**

3/18/2021 PM:

Yes. The GCIP Global Child Project is a global project enhancing and supporting national child projects under the GCIP global programme, as well as holding global accelerator and innovation challenges. As such the project is consistent with the international climate change and sustainable development strategies and agenda and, in its support for the child projects, it will also be fully in line with associated National strategies, plans and assessments.

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

**This item is cleared.**

3/18/2021 PM:

Yes. Further information on the milestones have been provided in Annex H.

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

**This item is cleared.**

3/18/2021 PM:

Yes, and M&E plan is included that lists the main M&E activities, results, timeframes, costs and party responsible for the activity.

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

**This item is cleared.**

3/18/2021 PM:

Yes. The project will act as a catalyst for SME development and clean technology investment globally. The creation of dedicated national platforms for promoting clean technology innovation in SMEs will result in an enhancement of human capital with the acceleration and scale-up of fast-growing cleantech innovation SMEs creating new green jobs, reducing GHG emissions and contributing to national and global poverty alleviation efforts.

Agency Response

**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

**This item is cleared:**

rev. 06/9/21, FB in consultation with PPO.

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**05/21/21, FB in consultation with PPO:**

We are still not able to clear this item. This item was not responded to in the review sheet. In addition, as already mentioned in the previous comment, these budget lines should be listed above in the budget as all other budget costs, and NOT BUNDLED in one residual line as it currently stands. Please list these costs as: Procurement specialist, Security specialist, recruitment services specialist, IT specialist, communication specialist, etc.



**ANNEX E: Project Budget Table**

Please attach a project budget table.

Cost Categories	Unit	No. of units	Unit cost	Component 1			Component 2		Component 3			M&E	PM C	Total GEF	Year 1	Year 2	Year 3	Year 4	Year 5	Responsible Entity (Executing Entity receiving funds from the GEF Agency)[1]
				1.1	1.2	Total	2.1	Total	3.1	3.2	Total									
<i>Direct Service Costs (DSC)</i>	Annual	5	5,744	3,999	3,453	7,452	3,032	3,032	11,890	6,345	18,235		28,719	5,744	5,744	5,744	5,744	5,744	UNIDO	
Sub-total				3,999	3,453	7,452	3,032	3,032	11,890	6,345	18,235	0	0	28,719	5,744	5,744	5,744	5,744	5,744	
<b>TOTAL</b>				400,000	345,300	745,300	303,200	303,200	387,102	112,000	499,102	75,000	162,260	1,784,862	369,713	347,537	352,537	337,537	377,537	

**ANNEX E: Project Budget Table**

Please attach a project budget table.

Cost Categories	Unit	No. of units	Unit cost	Component 1			Component 2		Component 3			M&E	PM C	Total GEF	Year 1	Year 2	Year 3	Year 4	Year 5	
				1.1	1.2	Total	2.1	Total	3.1	3.2	Total									
<i>Direct Service Costs (DSC)</i>	Annual	5	5,744	3,999	3,453	7,452	3,032	3,032	11,890	6,345	18,235		28,719	5,744	5,744	5,744	5,744	5,744		
Sub-total				3,999	3,453	7,452	3,032	3,032	11,890	6,345	18,235	0	0	28,719	5,744	5,744	5,744	5,744	5,744	
<b>TOTAL</b>				400,000	345,300	745,300	303,200	303,200	387,102	112,000	499,102	75,000	162,260	1,784,862	369,713	347,537	352,537	337,537	377,537	

This item is cleared.

3/18/2021 PM:

Yes.

Agency Response

The Direct Service Cost has been unbundled in the revised Annex E.

The detailed description of the direct service cost (DSC) and its application are now presented in the CEO Approval document, under section 6 - Institutional Arrangement and Coordination . The text is as follows:

**"UNIDO Full Cost Recovery mechanism**

1 The UN General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for the development of the UNDS, urges all entities of the United Nations development system, donor countries and other contributors to comply with existing cost recovery policies and rates whenever earmarked financial support is provided. In line with this resolution, UNIDO has developed a Programme Support Cost Recovery Policy and Full Cost Recovery (FCR) mechanisms through which all costs arising from the delivery of technical cooperation services are fully recovered. The guiding principle governing the financing of all non-programme costs should be based on FCR, proportionally, from the core and non-core funding sources? (UNGA 67/226).

2 On the 30th IWG on PBC related matters meeting held in July 2020, UNIDO Member states were updated on the status of the implementation of Full cost recovery (FCR) at UNIDO. The FCR mechanism has since been implemented and endorsed by Member States at the forty-eighth session of the Industrial Development Board, and also audited by the External Auditors for 2020.

3 For GEF funded projects, Technical and Operational Services (TOS) are eligible in the case of projects for which UNIDO provides execution support. In compliance with the FCR mechanism, all costs arising from the execution services provided by UNIDO shall be recovered from the respective project. Direct Service Costs (DSC) are costs for services that are rendered to deliver specific programme/project inputs.

For Component 1 and Component 2, Direct Service Costs for the execution services provided by UNIDO are limited to:

- a) Procurement services (staff costs for procurement of services, equipment and supplies for a specific project or programme managed by procurement division)
- b) Treasury and payments services (staff costs for settlement of invoices)



For Component 3, Direct Service Costs for the execution services provided by UNIDO are extended to:

- a) HRM and administration services (staff costs for recruitment and administration of personnel hired under the project, as well as security services)
- b) IT services (costs of license, maintenance costs and help desk services, as well as IT equipment at the headquarters only)
- c) Procurement services (staff costs for procurement of services, equipment and supplies for a specific project or programme managed by procurement division)
- d) Treasury and payments services (staff costs for travel advance and expense report processing, payroll processing, settlement of invoices)

4 These Direct Service Cost are considered eligible as they are:

- a) directly attributable to the grant project and arise as a direct consequence of its implementation; and
- b) necessary for carrying out the grant project and comply with the principles of sound financial management, in particular economy, efficiency and effectiveness

DSC are reported as part of the standard financial reporting as per the Technical Cooperation Reporting Guidelines endorsed by UNIDO member states."

The budget table has also been updated as is uploaded as an annex.

#### **Project Results Framework**

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

**05/12/21, FB:**

all comments cleared.

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3/18/2021 PM:

A PRF is included as Annex A.

1. please cut and paste the PRF in the main body of the CEO ER document on the portal, so that council members and STAP can access it when viewing as PDF

2. Please repeat the same step above for the project budget (Annex F) - should be pasted into the portal document as printable image.

#### Agency Response

1. The PRF (Annex A) has been pasted into the main CEO ER document.
2. The project budget (Annex E) has been pasted into the main document.

#### **GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request n/a

#### Agency Response

##### **Council comments**

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

3/18/2021 PM:

Council comments to the PFD have been taken into account in the preparation of this Child Project CEO ER under the Global Program.

#### Agency Response

##### **STAP comments**

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

**05/12/21, FB:**

all comments cleared.

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3/18/2021 PM:

Please include a section with considerations on how the STAP comments to the PFD have been addressed.

Agency Response Annex B includes considerations on how STAP comments to the PFD have been addressed.

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

**CSOs comments**

Secretariat Comment at CEO Endorsement Request n/a

Agency Response

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

3/18/2021 PM:

Yes.

Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

3/18/2021 PM:

Yes, maps provided.

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

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 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 n/a

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

Secretariat Comment at CEO Endorsement Request

**06/09/21, FB:**

all comments cleared.

The project is being recommended for technical clearance.

**05/12/21, FB:**

all comments cleared.

The project is being recommended for technical clearance.

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3/18/2021 PM:

Not yet - the agency is requested to address the comments provided and resubmit.  
PLEASE HIGHLIGHT IN YELLOW CHANGES MADE IN THE PORTAL  
VERSION

**Review Dates**

	<b>Secretariat Comment at CEO Endorsement</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>3/19/2021</b>	
<b>Additional Review (as necessary)</b>	<b>5/12/2021</b>	
<b>Additional Review (as necessary)</b>	<b>5/18/2021</b>	
<b>Additional Review (as necessary)</b>	<b>5/20/2021</b>	
<b>Additional Review (as necessary)</b>	<b>6/9/2021</b>	

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**