

# Innovative clean technology enterprise development ? Institutionalisation and expansion of the Global Cleantech Innovation Programme for SMEs in Turkey

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10455

**Countries**

Turkey

**Project Name**

Innovative clean technology enterprise development ? Institutionalisation and expansion of the Global Cleantech Innovation Programme for SMEs in Turkey

**Agencies**

UNIDO

**Date received by PM**

6/18/2021

**Review completed by PM**

8/31/2021

**Program Manager**

Ming Yang

**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

6/29/2021 MY:

Yes, the project remains aligned with the GEF7 CCM focal area strategy.

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

6/29/2021 MY:

Yes. The project structure/design is appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document. The GEF SEC appreciates the quantitative information for the targeted benefits of the project. If data is available, please elaborate the percentage of women and girls in the project beneficiaries in Table B and in the project document.

9/14/2021 PM:

No. Please address the following comments:

- The expected implementation start date is already past. Please update it with a later date.
- Project's audits have been wrongly charged to M&E Plan. Please update the budget by charging the audits to Project Management Costs (PMC).
- The budget table in the CEO Endorsement document (i.e. GEF Portal) is illegible. Please add a readable budget. Perhaps you can consider present the budget per outcome instead of per output so the table will be slimmer and will fit within the document's margins.

9/29/2021 PM:

No. Please address the following comments:

1. Under the budget table in Annex E the M&E column is empty. Please fill in this column to make it consistent with the M&E budget under Section 9 of the GEF CEO Document.

2. In table under Section 9 "Monitoring and Evaluation" please remove the row "Annual financial and technical audit" since audits shall be charged to PMC instead of M&E. Update the total M&E budget accordingly and make it consistent with the M&E budget in Annex E of the GEF CEO Document.

10/8/2021 MY:

Yes, comments were addressed and issues were cleared.

Agency Response

Atleast 35% women participants have been mentioned explicitly in the Output 1.1.2 , Output 1.1.3, Output 1.2.1, Output 1.2.2 in Table B and also in the proposed alternative scenario and Project Results Framework.

14/09/2021

1. The expected implementation start date has been revised to 01/01/2022
2. The Project's audits are now charged to the Project Management Costs (PMC). The PMC amount is less than 10% of the sub-total.
3. The budget table in the CEO Endorsement document (GEF Portal) has been updated and includes the budget per outcome.

29/09/2021

1. Under the budget table in Annex E the M&E column is empty. Please fill in this column to make it consistent with the M&E budget under Section 9 of the GEF CEO Document.

**UNIDO Response:** The M & E column has been updated in the budget table in Annex E and it is also consistent with the M & E budget under Section 9 of the GEF CEO Document. An updated budget has been uploaded in the Documents section with date 06102021 for consideration. The screenshot in Annex E has also been updated accordingly. With the latest budget, updates have also been made in Table B: Project Description Summary and in Table 2 under Part II: Project Justification (Component 1 and Component 3).

2. In table under Section 9 "Monitoring and Evaluation" please remove the row "Annual financial and technical audit" since audits shall be charged to PMC instead of M&E. Update the total M&E budget accordingly and make it consistent with the M&E budget in Annex E of the GEF CEO Document.

**UNIDO Response:** The row Annual and financial and technical audit has been removed in the table under Section 9. The table has been updated and is consistent with the M & E budget in Annex E of the GEF CEO Document. An updated budget has been uploaded in the Documents section with date 06102021 for consideration. The screenshot in Annex E has also been updated accordingly. With the latest budget, updates have also been made in Table B: Project Description Summary and in Table 2 under Part II: Project Justification (Component 1 and Component 3).

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

Secretariat Comment at CEO Endorsement Request

6/29/2021 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

6/29/2021 MY:

Not completed at this time.

1. Not all amounts in Table C are consistent with the amounts in the co-financing letters. Please revise Table C accordingly.
2. The part of "investment mobilized" in the total co-financing is too small. Please raise this part so that the ratio of GEF grant vs investment mobilized can reach 1:5 which is required by the GEF Council for a country like Turkey in GEF7.

8/31/2021 MY:

Yes, comments were addressed and issues were cleared.

Agency Response

1. We have rechecked the amounts in the Co-financing letter with the figures mentioned in Table C. They correspond to the same. We have latest letter from TUBITAK, that has been updated. In addition, we have received a new co-financing commitment from Izmir Development Agency, which has also been uploaded.
2. TUBITAK has shared a updated co-financing letter, which has been uploaded to the portal. In addition, Izmir Development Agency's co-financing letter (in-kind) has also been added. After including these latest co-financing commitment, GEF's requirements will be met.

To reflect this, changes have been updated in: Section A - Focal/Non-Focal Area Elements , Section B -Project Description Summary (confirmed co-financing), Project Management cost , Section C Confirmed sources of Co-financing (TUBITAK Grant portion is revised to USD 9,000,000 under investment mobilized; Izmir Development Agency in-kind of USD 20,000 falls under recurrent expenditures) along with additional justification under "Describe how any investment mobilized was identified".

**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

6/29/2021 MY:

Yes. The GEF has reserved sufficient resources for the project.

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

6/29/2021 MY:

Yes. Annex C is attached to the CEO AR document.

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

6/29/2021 MY:

Not completed at this time.

Please fill the missing information in Indicator 6.3.

8/31/2021 MY:

Yes, comments were addressed and Indicator 6.3 will be filled in mid-term evaluation.

### Agency Response

The project may be able to report on core indicators 6.3 and 6.4 depending on the types of technologies selected to receive support from the project. Please note that the exact technology categories of the Accelerator will be determined during the review and adaptation of the GCIP guidebooks for Turkey, and therefore it is not possible at this point in time to set a target for energy saved and increase in installed capacity.

The screening criteria for selection of cleantech start-ups into the Accelerator, as well as advanced and post acceleration services will comprehensively assess the technology/solution's potential for contributing to GEBs . The monitoring and tracking of GEBs achieved (including energy saved and RE installed) will be part of the M&E plan both at the programmatic and project levels, and will be reported through the project's Annual Impact Reports, as well as through the annual PIRs.

The monitoring and reporting of GEBs achieved under this project will be guided by the GCIP Framework, and the M&E plan developed under the GCIP coordination project (GEF project ID 10461). All GCIP child projects, including GCIP TURKEY will adapt the GCIP M&E plan, which provides methodologies and guidelines for tracking and reporting of all GEBs including RE capacity installed and energy saved.

Under F. Project's Target Contributions to GEF 7 Core indicators addition justification has been added as below :

By referring to the impact and performance indicators defined in the Project Results Framework, the monitoring plan will track, report on and review project activities and accomplishments in relation to GEBs, including energy savings achieved, increased Renewable energy capacity and GHGs emission reductions, among others, generated as a result of the project. The Project Management Unit (PMU) will be responsible for continuous monitoring of project activities implementation, and performance in relation to the project results framework, the gender action plan, environmental and social management plan, stakeholder engagement plan and the risk mitigation plan. The PMU will be responsible for tracking overall project milestones and progress towards the attainment of the set project outputs and will also be responsible for narrative reporting to the GEF. Co-financing mobilization efforts and results will also be monitored and reported on through the M&E plan, including through the annual GEF PIRs. The GEF

OFP will be engaged in the M&E activities, such as regularly receiving all project progress reports, and providing inputs and comments, etc.

## **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

6/29/2021 MY:

Yes. It is presented on pages 27-29.

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

6/29/2021 MY:

Yes. It is presented on pages 29-35.

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

6/29/2021 MY:

Yes. It is presented on pages 35-.60.

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

6/29/2021 MY:



Yes. It is presented on page 60.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

6/29/2021 MY:

Yes. It is presented on pages 60-61.

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

6/29/2021 MY:

Yes. It is presented on pages 61-64.

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

6/29/2021 MY:

Yes. It is presented on pages 64-67.

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

6/29/2021 MY:

Yes. It is presented on page 70.

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  
6/29/2021 MY:

Yes. It is presented on pages 70-72.

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  
6/29/2021 MY:

Yes. It is presented in Annex I of the CEO AR package and on pages 73-79 of the CEO AR document.

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  
6/29/2021 MY:

Yes. It is presented on pages 79-83 of the CEO AR document and Annex J.

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  
6/29/2021 MY:

Yes. It is presented on pages 83-84.

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  
6/29/2021 MY:

Not completed at this time.

Plases do more analysis on Climate Risk Screening. Specifically, please double check to ensure that climate risks are identified, listed and described per the guidance of STAP. See <https://stapgef.org/sites/default/files/publications/Climate%20Risk%20Screening%20web%20posting.pdf>

This includes but not limited to:

1. Outlining the key aspects of the climate change projections/scenarios at the project locations, which are relevant for the type of intervention being financed (e.g. changes in temperatures, rainfalls, increased flooding, sea level rise, saltwater acquirer contamination, increased soil erosion, etc.).
2. Showing risks with a time horizon if feasible/data available (e.g. up to 2050).

3. Listing key potential hazards for the project that are related to the aspects of the climate scenarios listed above. This means elaborating a narrative that describes how the climate scenarios indicated above are likely to affect the project, during 2020-2050.

4. Describing plans for climate change risk assessment and climate risk mitigation measures during PPG. The STAP guidance shows more details on it.

8/31/2021 MY:

Yes, comments were addressed and issues were cleared.

**Agency Response** The requested analysis has been included from Paragraph 174 to Paragraph 185 under Risks to Achieving Project Objectives.

**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**

6/29/2021 MY:

Not completed at this time.

The private sector stakeholders such as the owners of the SMEs are very important in the project. It seems that Figure 8 in the CEO AR does not include SMEs. Please add these stakeholders. In addition, other bilateral/multilateral initiatives in the project area should be elaborated and included in the coordination.

8/31/2021 MY:

Yes, comments were addressed and issues were cleared.

**Agency Response** The Figure 8 has been updated to include SMEs. The bilateral/multilateral initiatives have been included under the coordination with other projects and initiatives in Paragraph 194.

**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

6/29/2021 MY:

Yes.

As shown on page 92-95, the project is consistent with the national priorities of the country.

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

6/29/2021 MY:

Yes. It is presented on pages 95-96.

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

6/29/2021 MY:

Yes. It is presented on pages 96-98.

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

6/29/2021 MY:

Not completed at this time.

On page 98, please also elaborate how these socioeconomic benefits will translate in supporting the achievement of GEBs or adaptation benefits.

8/31/2021 MY:

Yes, comments were addressed and issues were cleared.

**Agency Response** As requested, the section has been updated (paragraph 219) to reflect how socio- economic benefits will translate in supporting the achievement of GEBs or adaptation benefits.

**Annexes**

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

Secretariat Comment at CEO Endorsement Request

6/29/2021 MY:

Yes. All Annexes are attached to the CEO AR package.

**Agency Response**

**29/09/2021**

1. Under the budget table in Annex E the M&E column is empty. Please fill in this column to make it consistent with the M&E budget under Section 9 of the GEF CEO Document.

UNIDO Response: The M & E column has been updated in the budget table in Annex E and it is also consistent with the M & E budget under Section 9 of the GEF CEO Document. An updated budget has been uploaded in the Documents section with date 06102021 for consideration. The screenshot in Annex E has also been updated accordingly. With the latest budget, updates have also been made in Table B: Project

Description Summary and in Table 2 under Part II: Project Justification (Component 1 and Component 3).

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UNIDO Response: The row Annual and financial and technical audit has been removed in the table under Section 9. The table has been updated and is consistent with the M & E budget in Annex E of the GEF CEO Document. An updated budget has been uploaded in the Documents section with date 06102021 for consideration. The screenshot in Annex E has also been updated accordingly. With the latest budget, updates have also been made in Table B: Project Description Summary and in Table 2 under Part II: Project Justification (Component 1 and Component 3).

#### **Project Results Framework**

Secretariat Comment at CEO Endorsement Request

6/29/2021 MY:

Yes. It is attached in Annex A.

Agency Response

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request

6/29/2021 MY:

N/A

Agency Response

**Council comments**

Secretariat Comment at CEO Endorsement Request

6/29/2021 MY:

Yes. The responses to Council comments are presented in Annex B.

Agency Response

**STAP comments**

Secretariat Comment at CEO Endorsement Request  
6/29/2021 MY:

Yes. The responses to STAP are presented in Annex B.

Agency Response

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request  
6/29/2021 MY:

N/A

Agency Response

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request  
6/29/2021 MY:

N/A

Agency Response

**CSOs comments**

Secretariat Comment at CEO Endorsement Request  
6/29/2021 MY:

N/A

Agency Response

**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request  
6/29/2021 MY:

Yes. It is presented in Annex C.



Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

6/29/2021 MY:

Yes. It is presented 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

6/29/2021 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

6/29/2021 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

6/29/2021 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

6/29/2021 MY:

Not at this time.

Please address the above comments and revise the CEO AR package accordingly.

8/31/2021 MY:

Yes, comments were addressed and issues were cleared. The PM recommends the PPO colleagues to further review and clear the project.

**9/14/2021 PM:**

**No.** Please address the following comments:

- The expected implementation start date is already past. Please update it with a later date.
- Project's audits have been wrongly charged to M&E Plan. Please update the budget by charging the audits to Project Management Costs (PMC).
- The budget table in the CEO Endorsement document (i.e. GEF Portal) is illegible. Please add a readable budget. Perhaps you can consider present the budget per outcome instead of per output so the table will be slimmer and will fit within the document's margins.

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1. Under the budget table in Annex E, the M&E column is empty. Please fill in this column to make it consistent with the M&E budget under Section 9 of the GEF CEO Document.

2. In table under Section 9 "Monitoring and Evaluation" please remove the row "Annual financial and technical audit" since audits shall be charged to PMC instead of M&E. Update the total M&E budget in Section 9 accordingly and make it consistent with the M&E budget in Annex E of the GEF CEO Document.

10/8/2021 MY:

Yes, comments were addressed and issues were cleared.

#### Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
<b>First Review</b>	6/29/2021	
<b>Additional Review (as necessary)</b>	8/31/2021	
<b>Additional Review (as necessary)</b>	10/7/2021	
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		

#### CEO Recommendation

#### Brief reasoning for CEO Recommendations

The objective of the project is to accelerate the uptake and investments in cleantech innovations and promote coordination and ecosystems connectivity under the Global Cleantech Innovation Program. The project consists of three major components: (1) Transforming early-stage innovative cleantech solutions into commercial enterprises; (2) Cleantech innovation and entrepreneurship ecosystem (CIEE) strengthening and connectivity; and (3) Project Coordination and Coherence. Expected outputs include: (1)

Targeted business growth support services are provided to selected cleantech enterprises towards commercialization (at least 12 firms with at least 35% women participants receive support); and (2) Enterprises are connected to financing opportunities and provided with tipping-point investment facilitation support (at least 12 firms with at least 35 % of women participants receive financing for early-stage business growth). With \$1.77 million of grant, this project will mobilize a total of more than \$17 million of co-financing from the private sector, the government and CSOs. The project aims at mitigating 2.16 million tonnes of CO<sub>2</sub> during its lifetime operation.

**COVID-19 risk analysis:** COVID -19 may cause several risks to this project. These include: (1) technical expertise is not readily available due to the pandemic; (2) Possible re-instatement of COVID-19 containment measures limits available capacity or effectiveness of project execution/ implementation; (3) Some project supporters, co-financiers or beneficiaries may not be able to continue with project execution/implementation; and (4) Price increases for procurement of goods/services. But all these risks will be mitigated by effective measures, including (1) flexible planning to reschedule activities onsite that require specific expertise; (2) strengthening capacity of stakeholders and the beneficiaries for remote work; (3) actively looking for additional co-financing resources to back up; and (4) finding alternative goods and service providers to back up.

**COVID-19 opportunities:** Remote working arrangements and no-contact business modalities will require solutions that can be turned into new business models. Examples of former GCIP alumni responding to new business opportunities by providing innovative solutions during the pandemic are summarized in the following link: <https://www.unido.org/stories/cleantech-innovators-take-covid-19>.