

Adaptation SME Accelerator Project (ASAP)

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10296

Countries

Global

Project Name

Adaptation SME Accelerator Project (ASAP)

Agenices

CI

Date received by PM

6/28/2019

Review completed by PM

8/12/2019

Program Manager

Aloke Barnwal

Focal Area

Climate Change

Project Type

MSP

CEO Approval Request

Part I – Project Information

1. Focal area elements. Is the project aligned with the relevant GEF focal area elements as indicated in Table A and as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

The project is well aligned with the SCCF strategy which overall aims to strengthen private sector role and support innovation in climate change adaptation and resilience. It directly contributes to objective 1 of SCCF to facilitate transfer of adaptation technologies to communities and businesses. It adopts innovative approach to enhance flow of finance for adaptation technologies and contributes to objective 2 by focusing on developing market for private sector especially SMEs involved in scaling up adaptation technologies. In addition, the integrated focus on water management, sustainable agriculture and reducing environmental degradation also aligns with mainstreaming and integrated approach of GEF for transformational change.

The project, however, does not align with objective 3 of SCCF which aims to provide support for enabling activities in response to COP guidance such as the processes related to NAPs. The Agency therefore is requested to align the project components with objective 1 and 2 only.

July 3;

Thanks for your response and explanation. After reviewing the SCCF strategy again and the directions to the GEF from recent COPs, the Secretariat agrees with the Agency that the alignment with objective 3 holds good for this project. Please retain the original objectives and apologies for inconvenience.

Agency Response

<!-- /* Font Definitions */ @font-face {font-family:"Cambria Math"; panose-1:2 4 5 3 5 4 6 3 2 4; mso-font-charset:0; mso-generic-font-family:roman; mso-font-pitch:variable; mso-font-signature:-536870145 1107305727 0 0 415 0;} @font-face {font-family:Calibri; panose-1:2 15 5 2 2 2 4 3 2 4; mso-font-charset:0; mso-generic-font-family:swiss; mso-font-pitch:variable; mso-font-signature:-1610611985 1073750139 0 0 159 0;} /* Style Definitions */ p.MsoNormal, li.MsoNormal, div.MsoNormal {mso-style-unhide:no; mso-style-qformat:yes; mso-style-parent:""; margin:0in; margin-bottom:.0001pt; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} .MsoChpDefault {mso-style-type:export-only; mso-default-props:yes; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} @page WordSection1 {size:8.5in 11.0in; margin:1.0in 1.0in 1.0in 1.0in; mso-header-margin:.5in; mso-footer-margin:.5in; mso-paper-source:0;} div.WordSection1 {page:WordSection1;} --> While we do believe the project does support the private sector engagement of Objective 3 as articulated e.g., in paragraphs 111 and 112 of the GEF Adaptation Strategy, the GEF reviewer comment has been noted and Objective 3 from the ASAP PIF has been removed.

CI-GEF Response July 3rd: We have included Objective 3.

2. Project description summary. 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 PIF/Work Program Inclusion

The project structure is appropriate to achieve the outcomes and objectives of the SCCF strategy. Through the well designed components, the project effectively aims to play a market maker role for SMEs involved in adaptation technologies. It will map the market, bring together various SMEs through networks and finally bring together a cohort of accelerators and incubators to support SMEs in raising investments for scaling up their businesses in adaptation technologies.

While the project is quite strongly focused on SMEs and the supply side, the focus on demand for adaptation technologies and solutions is a bit limited. One of the critical success factors will be creation of market for adaptation technologies and services. While this is being supported through a number of country/regional LDCF

and SCCF projects, the ASAP could specifically look into this aspect in countries where it plans to engage with national governments. It may facilitate demand aggregation for ensuring economic viability of the solutions SMEs can potentially offer. The Agency is requested to consider this aspect in the project design.

July 3:

Thanks for the explanation. The agency may like to articulate this more clearly in output 2.3. Currently, it suggests consultation only for policy discussions not proactively engaging with them in aggregating demand for SME adaptation technologies or products.

Agency Response

<!-- /* Font Definitions */ @font-face {font-family:"Cambria Math"; panose-1:2 4 5 3 5 4 6 3 2 4; mso-font-charset:0; mso-generic-font-family:roman; mso-font-pitch:variable; mso-font-signature:-536870145 1107305727 0 0 415 0;} @font-face {font-family:Calibri; panose-1:2 15 5 2 2 2 4 3 2 4; mso-font-charset:0; mso-generic-font-family:swiss; mso-font-pitch:variable; mso-font-signature:-1610611985 1073750139 0 0 159 0;} /* Style Definitions */ p.MsoNormal, li.MsoNormal, div.MsoNormal {mso-style-unhide:no; mso-style-qformat:yes; mso-style-parent:""; margin:0in; margin-bottom:.0001pt; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} .MsoChpDefault {mso-style-type:export-only; mso-default-props:yes; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} @page WordSection1 {size:8.5in 11.0in; margin:1.0in 1.0in 1.0in 1.0in; mso-header-margin:.5in; mso-footer-margin:.5in; mso-paper-source:0;} div.WordSection1 {page:WordSection1;} --> Agreed – the demand side of developing the Adaptation SME ecosystem will certainly be considered in project implementation through the consultations with governments (Output 2.3). In addition, the harmonized Adaptation Taxonomy itself will help end-users/customers to identify relevant adaptation technologies, products, and services that can assess and address the climate change risks and impacts that they face.

CI-GEF response July 03,2019: The description of Output 2.3 has been updated in the portal (yellow text highlight)

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

Secretariat Comment at PIF/Work Program Inclusion

Not applicable.

Agency Response

4. Co-financing. Are the confirmed 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, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at PIF/Work Program Inclusion

The co-financing is adequately listed. However, a slightly detailed description of each co-finance will be useful. For example, the co-finance by the GEF Agency (CI) is categorized as loan. The agency is requested to elaborate on the nature of this co-finance.

July 3: The response is adequate.

Agency Response <!-- /* Font Definitions */ @font-face {font-family:Wingdings; panose-1:5 0 0 0 0 0 0 0 0; mso-font-charset:2; mso-generic-font-family:decorative; mso-font-pitch:variable; mso-font-signature:0 268435456 0 0 -2147483648 0;} @font-face {font-family:"Cambria Math"; panose-1:2 4 5 3 5 4 6 3 2 4; mso-font-charset:0; mso-generic-font-family:roman; mso-font-pitch:variable; mso-font-signature:-536870145 1107305727 0 0 415 0;} @font-face {font-family:Calibri; panose-1:2 15 5 2 2 2 4 3 2 4; mso-font-charset:0; mso-generic-font-family:swiss; mso-font-pitch:variable; mso-font-signature:-1610611985 1073750139 0 0 159 0;} /* Style Definitions */ p.MsoNormal, li.MsoNormal, div.MsoNormal {mso-style-unhide:no; mso-style-qformat:yes; mso-style-parent:""; margin:0in; margin-bottom:.0001pt; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} p {mso-style-priority:99; mso-margin-top-alt:auto; margin-right:0in; mso-margin-bottom-alt:auto; margin-left:0in; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Times New Roman",serif; mso-fareast-font-family:"Times New Roman";} .MsoChpDefault {mso-style-type:export-only; mso-default-props:yes; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} @page WordSection1 {size:8.5in 11.0in; margin:1.0in 1.0in 1.0in 1.0in; mso-header-margin:.5in; mso-footer-margin:.5in; mso-paper-source:0;} div.WordSection1 {page:WordSection1;} /* List Definitions */ @list l0 {mso-list-id:1934317234; mso-list-type:hybrid; mso-list-template-ids:-133009490 964090402 67698691 67698693 67698689 67698691 67698693 67698689 67698691 67698693;} @list l0:level1 {mso-level-start-at:0; mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Symbol; mso-fareast-font-family:"Times New Roman"; mso-bidi-font-family:Arial;} @list l0:level2 {mso-level-number-format:bullet; mso-level-text:o; mso-

level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:"Courier New"; mso-bidi-font-family:"Times New Roman";} @list l0:level3 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Wingdings;} @list l0:level4 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Symbol;} @list l0:level5 {mso-level-number-format:bullet; mso-level-text:o; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:"Courier New"; mso-bidi-font-family:"Times New Roman";} @list l0:level6 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Wingdings;} @list l0:level7 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Symbol;} @list l0:level8 {mso-level-number-format:bullet; mso-level-text:o; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:"Courier New"; mso-bidi-font-family:"Times New Roman";} @list l0:level9 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Wingdings;} ol {margin-bottom:0in;} ul {margin-bottom:0in;} -->

- \$100,000 grant from IDB: IDB has provided a \$100,000 to ASAP to support the Latin America & Caribbean region-focused portion of *Component 1: Map Companies & Markets*, where at least 100 Adaptation SMEs from the LAC region will be identified through ASAP and findings will be used to develop the Adaptation Taxonomy.
- \$150,000 loan from Conservation International: Conservation International is providing \$150,000 loan to Lightsmith to cover their efforts to in working in the adaptation sector from July 1,2019 – June 30, 2021.
- \$250,000 to be provided through efforts by Lightsmith:
 - o \$100,000 grant to be mobilized from other MDBs: Lightsmith will reach out to MDBs, such as the Asian Development Bank, the African Development Bank, and the Nordic Development Fund, to seek additional cash funding to support implementation of *Component 1* of ASAP for the other focus regions (i.e., Africa, Asia).
 - o \$150,000 in-kind co-financing to be provided by partner accelerators/incubators: Lightsmith expects that the accelerator/incubator program partners engaged through *Component 3: Launch Adaptation SME Accelerator Programs* of ASAP will provide additional in-kind co-financing as the adaptation “toolkits” are adopted and programs are launched (e.g., in the form of staff time).

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

Secretariat Comment at PIF/Work Program Inclusion

Yes, the financing is aligned with the SCCF and MSP policies and guidelines.

Agency Response

STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

Not applicable

Agency Response

Focal Area allocation?

Secretariat Comment at PIF/Work Program Inclusion

Not applicable

Agency Response

LDCF under the principle of equitable access?

Secretariat Comment at PIF/Work Program Inclusion

Not applicable

Agency Response

SCCF (Adaptation or Tech Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

Yes, the financing is within the resources available under SCCF and aligned with its strategy and objectives.

Agency Response

Focal Area Set Aside?

Secretariat Comment at PIF/Work Program Inclusion

Not applicable

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

Not applicable

Agency Response

6. Project Preparation Grant. If PPG is requested in Table E.1, has its advanced programming and utilized been accounted for in Annex C of the document?

Secretariat Comment at PIF/Work Program Inclusion

Yes. PPG is requested as per Table F. The amount requested is appropriate as per the PPG guidelines for MSPs. The utilization details is provides in Annex C.

Agency Response

7. Non-Grant Instrument. If this an NGI, are the expected reflows indicated in Annex D?

Secretariat Comment at PIF/Work Program Inclusion

Not applicable.

Agency Response

8. Core Indicators. Are the targeted core indicators in Table E calculated using the methodology in the prescribed guidelines? (GEF/C.54/Infxxx)

Secretariat Comment at PIF/Work Program Inclusion

The agency is requested to provide core indicators and meta information as per the template provided by GEF Secretariat for LDCF and SCCF projects.

July 3: Thanks for uploading the core-indicators sheet. Given the project design, which is more on enabling private sector SME adaptation market, it seems estimating Indicator 1 beforehand will be difficult. The Indicator 1 pertains to direct beneficiaries benefiting from adaptation technology or solutions implemented. Therefore, the Indicator and targets currently mentioned in 1 does not align with its definition.

For this project, Indicator 4 only seems to be directly relevant and the numbers provided in Indicator 1 can be added to Indicator 4. SMEs, governments and any other stakeholder who benefit from workshops, training, campaigns, convenings, etc. can also be reported under indicator 4.

Agency Response

Core Indicators uploaded as an excel sheet.

CI-GEF response July 3rd, 2019: Core Indicators sheet updated and re-uploaded.

9. Project taxonomy. Is the project properly tagged with the appropriate keywords as in Table G?

Secretariat Comment at PIF/Work Program Inclusion

Rio markers have not been tagged. It appears that project is CCA 2. While there may be some co-benefit of mitigation, it is not stated in objective explicitly. Therefore, CCM Rio marker would not be applicable for this project.

Jul 3: Rio marker has been tagged. Thanks.

Agency Response

Part II – Project Justification

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

Secretariat Comment at PIF/Work Program Inclusion

There is sufficient elaboration of the root causes, current barriers and drivers for SME market of adaptation technologies. The lack of awareness of technologies having adaptation potential, limited availability of technologies in developing countries and lack of flow of finance to provide necessary capex and opex for SMEs to deploy adaptation technologies.

The Agency may also like to elaborate on any policy barriers that restrict SMEs to venture in adaptation technologies and whether the project directly or indirectly will support an enabling policy environment to support SMEs, accelerators and incubators.

July 3: The response is adequate.

Agency Response <!-- /* Font Definitions */ @font-face {font-family:"Cambria Math"; panose-1:2 4 5 3 5 4 6 3 2 4; mso-font-charset:0; mso-generic-font-family:roman; mso-font-pitch:variable; mso-font-signature:-536870145 1107305727 0 0 415 0;} @font-face {font-family:Calibri; panose-1:2 15 5 2 2 2 4 3 2 4; mso-font-charset:0; mso-generic-font-family:swiss; mso-font-pitch:variable; mso-font-signature:-1610611985 1073750139 0 0 159 0;} /* Style Definitions */ p.MsoNormal, li.MsoNormal, div.MsoNormal {mso-style-unhide:no; mso-style-qformat:yes; mso-style-parent:""; margin:0in; margin-bottom:.0001pt; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} p {mso-style-priority:99; mso-margin-top-alt:auto; margin-right:0in; mso-margin-bottom-alt:auto; margin-left:0in; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Times New Roman",serif; mso-fareast-font-family:"Times New Roman";} .MsoChpDefault {mso-style-type:export-only; mso-default-props:yes; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} @page WordSection1 {size:8.5in 11.0in; margin:1.0in 1.0in 1.0in 1.0in; mso-header-margin:.5in; mso-footer-margin:.5in; mso-paper-source:0;} div.WordSection1 {page:WordSection1;} -->

We've added language to the PIF in the barriers section (yellow highlight) that more directly highlights policy barriers to scaling Adaptation SMEs. The project will directly support enabling policy environments in developing the private sector ecosystem for adaptation solutions as part of *Component 2: Organize Regional*

Adaptation SME Networks, where Output 2.3 is specifically to hold consultations with at least two host governments in each region to discuss policy and market support for Adaptation SMEs.

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

Secretariat Comment at PIF/Work Program Inclusion

The baseline is adequately explained and very relevant projects have been identified.

Agency Response

3. Project Description. Is there an elaboration on the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there more 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

The project components have been elaborated with sufficient details. Under output 2.3, it is not clear why the section describes CI as a partner although it's the implementation agency.

July 3: Indeed. As an implementation agency, the Secretariat does expect that CI will bring in their expertise, network and global presence in the project. So, it is a reading a bit odd that CI is a partner organization.

Agency Response

CI is an implementing agency providing oversight and guidance to the project. Separate from the oversight function, the project will be able to tap into CI's expertise, network and geographic footprint to ensure that Output 2.3 is achieved.

CI-GEF response July 3rd, 2019: to simplify things, we have removed reference to CI as a project partner.

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

Secretariat Comment at PIF/Work Program Inclusion

The alignment with SCCF strategy and objectives is elaborated well. However, as commented earlier, the project has limited alignment with objective 3 of SCCF and therefore the agency is requested to focus on objective 1 and 2 only. The support to creating enabling environment links well with objectives 1 and 2.

July 3: As noted in the comment 1, based on the explanation we agree with the alignment of the project with Objective 3. You may retain it as in original.

Agency Response We have included reference to Objective 3.

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

Secretariat Comment at PIF/Work Program Inclusion

The incremental reasoning is sound and the co-finance is listed in Table C. The agency is requested to elaborate a bit more on each co-finance source.

July 3: Thanks for the details. It is understood that the loan offered by CI is through CI Ventures Fund, a separate entity of the CI group.

Agency Response <!-- /* Font Definitions */ @font-face {font-family:Wingdings; panose-1:5 0 0 0 0 0 0 0 0; mso-font-charset:2; mso-generic-font-family:decorative; mso-font-pitch:variable; mso-font-signature:0 268435456 0 0 -2147483648 0;} @font-face {font-family:"Cambria Math"; panose-1:2 4 5 3 5 4 6 3 2 4; mso-font-charset:0; mso-generic-font-family:roman; mso-font-pitch:variable; mso-font-signature:-536870145 1107305727 0 0 415 0;} @font-face {font-family:Calibri; panose-1:2 15 5 2 2 2 4 3 2 4; mso-font-charset:0; mso-generic-font-family:swiss; mso-font-pitch:variable; mso-font-signature:-1610611985 1073750139 0 0 159 0;} /* Style Definitions */ p.MsoNormal, li.MsoNormal, div.MsoNormal {mso-style-unhide:no; mso-style-qformat:yes; mso-style-parent:""; margin:0in; margin-bottom:.0001pt; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} p {mso-style-priority:99; mso-margin-top-alt:auto; margin-right:0in; mso-margin-bottom-alt:auto; margin-left:0in; mso-pagination:widow-orphan; font-size:12.0pt; font-family:"Times New Roman",serif; mso-fareast-font-family:"Times New Roman";} .MsoChpDefault {mso-style-type:export-only; mso-default-props:yes; font-family:"Calibri",sans-serif; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:Calibri; mso-fareast-theme-font:minor-latin; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} @page WordSection1 {size:8.5in 11.0in; margin:1.0in 1.0in 1.0in 1.0in; mso-header-margin:.5in; mso-footer-margin:.5in; mso-paper-source:0;} div.WordSection1 {page:WordSection1;} /* List Definitions */ @list l0 {mso-list-id:1934317234; mso-list-type:hybrid; mso-list-template-ids:-133009490 964090402 67698691 67698693 67698689 67698691 67698693 67698689 67698691 67698693;} @list l0:level1 {mso-level-start-at:0; mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-

family:Symbol; mso-fareast-font-family:"Times New Roman"; mso-bidi-font-family:Arial;} @list l0:level2 {mso-level-number-format:bullet; mso-level-text:o; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:"Courier New"; mso-bidi-font-family:"Times New Roman";} @list l0:level3 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Wingdings;} @list l0:level4 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Symbol;} @list l0:level5 {mso-level-number-format:bullet; mso-level-text:o; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:"Courier New"; mso-bidi-font-family:"Times New Roman";} @list l0:level6 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Wingdings;} @list l0:level7 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Symbol;} @list l0:level8 {mso-level-number-format:bullet; mso-level-text:o; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:"Courier New"; mso-bidi-font-family:"Times New Roman";} @list l0:level9 {mso-level-number-format:bullet; mso-level-text:□; mso-level-tab-stop:none; mso-level-number-position:left; text-indent:-.25in; font-family:Wingdings;} ol {margin-bottom:0in;} ul {margin-bottom:0in;} -->

- \$100,000 grant from IDB: IDB has provided a \$100,000 to ASAP to support the Latin America & Caribbean region-focused portion of *Component 1: Map Companies & Markets*, where at least 100 Adaptation SMEs from the LAC region will be identified through ASAP and findings will be used to develop the Adaptation Taxonomy.

- \$150,000 loan from Conservation International: Conservation International is providing \$150,000 loan to Lightsmith to cover their efforts to in working in the adaptation sector from July 1,2019 – June 30, 2021.

- \$250,000 to be provided through efforts by Lightsmith:

- o \$100,000 grant to be mobilized from other MDBs: Lightsmith will reach out to MDBs, such as the Asian Development Bank, the African Development Bank, and the Nordic Development Fund, to seek additional cash funding to support implementation of *Component 1* of ASAP for the other focus regions (i.e., Africa, Asia).

- o \$150,000 in-kind co-financing to be provided by partner accelerators/incubators: Lightsmith expects that the accelerator/incubator program partners engaged through *Component 3: Launch Adaptation SME Accelerator Programs* of ASAP will provide additional in-kind co-financing as the adaptation “toolkits” are adopted and programs are launched (e.g., in the form of staff time).

6. Project Description. Is there a better elaboration on the project’s expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

The agency is requested to provide some quantitative estimation of adaptation benefits that the project will likely deliver. The agency should use the template provided by the GEF Secretariat to provide quantitative and qualitative benefits for relevant core indicators.

July 3: Please refer to the comments under question 8 under section I.

Agency Response The adaptation indicators excel sheet has been updated and uploaded.

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

Secretariat Comment at PIF/Work Program Inclusion

There is adequate elaboration of the innovation and sustainability aspects of the project.

Agency Response

8. Project Map and Coordinates. Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at PIF/Work Program Inclusion

The global nature of the project is acknowledged. However, the agency may like to make it a bit more specific by mentioning that the focus will be in developing countries in the three regions as mentioned in a number of places.

July 3: Thanks.

Agency Response A project map has been uploaded.

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

Secretariat Comment at PIF/Work Program Inclusion

Not applicable.

Agency Response

10. 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 PIF/Work Program Inclusion

A detailed and adequate stakeholder engagement plan is provided.

Agency Response

11. 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 PIF/Work Program Inclusion

A comprehensive strategy to ensure gender equality and women's empowerment in project implementation and outcome is provided.

Agency Response

12. 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 PIF/Work Program Inclusion

Private sector and more specifically SMEs is central to the project design. The project aims to engage with them as a primary beneficiary and key driver for accelerating climate change adaptation technologies and innovative business models.

Agency Response

13. Risk. 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 PIF/Work Program Inclusion

Risks are elaborated well. The management of risk by the executing agency Lightsmith is elaborated. However, the role of GEF Agency in risk management is not clear.

July 3: Thanks. The agency is requested to include the below in the risk section of the proposal.

Agency Response

The CI-GEF Agency will provide oversight to the Lightsmith Group to ensure that the risk mitigation measures are implemented and monitored during the implementation phase.

CI-GEF response July 3, 2019: This sentence has been included in the risk section and highlighted in yellow.

14. 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 PIF/Work Program Inclusion

The institutional arrangement for project implementation is described adequately.

Agency Response

15. Consistency with national priorities. Has the project described the consistency of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

The project which is global in nature is consistent with global priorities of climate action as steered by the UNFCCC.

Agency Response

16. Knowledge management. Is the proposed “Knowledge Management Approach” for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at PIF/Work Program Inclusion

Yes, the knowledge management approach is adequately elaborated.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

Yes.

Agency Response

18. 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 PIF/Work Program Inclusion

The agency may like to add additional socioeconomic benefits from the project due to creation of jobs through SMEs which will strengthen local economy.

July 3: Thanks.

Agency Response This has been added to the PIF in the GEF portal. Specifically "scaling SMEs will support the creation of jobs through SMEs, which will strengthen the local economy"

19. Annexes:

Are all the required annexes attached and adequately responded to?

Secretariat Comment at PIF/Work Program Inclusion

Yes.

Agency Response

Project Results Framework

Secretariat Comment at PIF/Work Program Inclusion

The Agency is requested to provide information regarding core indicators and meta information as per the template shared by the GEF Secretariat.

July 3: Please refer to the comments under question 8 in Section I

Agency Response Uploaded

GEF Secretariat comments

Secretariat Comment at PIF/Work Program Inclusion**Agency Response**

Council comments

Secretariat Comment at PIF/Work Program Inclusion**Agency Response**

STAP comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Convention Secretariat comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Other Agencies comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

CSOs comments

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Status of PPG utilization

Secretariat Comment at PIF/Work Program Inclusion

The status is provided in Annex C.

Agency Response

Calendar of expected reflows (if NGI is used)

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Project maps and coordinates

Secretariat Comment at PIF/Work Program Inclusion

Please see earlier in the Secretariat comments section.

Agency Response Project map now uploaded

Part III – Country and Agency Endorsements

1. Country endorsements. Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

Not applicable.

Agency Response

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) 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 in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

GEFSEC DECISION

1. RECOMMENDATION.

Is CEO endorsement/ approval recommended?

Secretariat Comment at PIF/Work Program Inclusion

The CEO endorsement is recommended for the project based on its alignment with SCCF strategy. The basis of recommendation is summarized below based on the review done above:

Project objective: The Adaptation SME Accelerator Project (ASAP) aims to catalyze the market for innovative climate adaptation solutions in developing countries. It aims to strengthen the ecosystem of SMEs by creating an enabling policy environment, improving market information, aggregating demand and facilitating flow of investments. The project builds well on the GEF supported CRAFT project which has identified a few SMEs having potential of offering climate adaptation solutions. ASAP will advance engagement with nearly 300 SMEs across key countries in Africa, Asia and Latin America, and link them with incubators and accelerators to design, develop and deploy adaptation solutions in vulnerable countries and sectors.

Strategic alignment: ASAP is strategically aligned with GEF's vision of scaling up private sector engagement to build climate resilience. The project contributes to all the three objectives of SCCF, particularly objective 3 of fostering enabling conditions for enhanced private sector engagement in adaptation. Through a catalytic grant, the project will support SMEs to act as an agent of market transformation for adaptation technologies and services. The total funding sought by Conservation International (CI) is \$2 million and will leverage \$0.5 million from IDB, The Lightsmith Group and Conservation International.

Context: The UNEP 2018 Adaptation Gap report highlights the importance of flow of international adaptation finance in supporting micro, small and medium enterprises (SMEs) as key private-sector actors for adaptation. Locally embedded formal and informal SMEs often have a ‘social license’ to operate and thereby can reach out to the most vulnerable with adaptation solutions. However, they generally lack knowledge of business opportunities in adaptation and have limited financial capacity to fund upfront costs of investment. Additionally, SMEs struggle with reduced access to financial services as their size leads to higher transaction costs for lending institutions, and they are often perceived as riskier investments.

Project intervention and justification: The project, supported by the SCCF will address the market entry barriers for SMEs in developing countries by mapping market opportunities for adaptation SMEs, establishing a strong network of SMEs for cross learning, bringing incubators and accelerators to support a set of SMEs in raising investments and creating an enabling policy environment for market demand and supply of adaptation solutions.

SMEs are critical to various global supply chains of vulnerable sectors such as food, agriculture and infrastructure. Thus, they are critical to global adaptation action. SMEs are also one of the largest employers especially for women in developing countries and key to their socioeconomic growth. The project, by unlocking vast potential of SMEs in developing countries will facilitate climate resilient and inclusive economic growth in developing countries. ASAP aims to directly link at least 15 SMEs with incubators and accelerators and help mobilize around \$20 million investment.

Review Dates

	1SMSP CEO Approval	Response to Secretariat comments
First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		