

(Including final supervision)

Data populated
Data Entry

Project Information:

<i>Region:</i> WORLD	<i>Country:</i> World Region	<i>Sector:</i> O - Finance & Insurance	
<i>Business Line:</i> Environment and Social Sustainability	<i>Business Line sub-area(s):</i> Biodiversity; Sustainable Energy		
<i>Primary (Originating) Dept/Division:</i> CESEB - Environment & Social Development/Env. Business Financial Program	<i>Implementing Dept/Division:</i>		
<i>Client Name:</i> IFC (1588)	<i>Project/Transaction Leader:</i> Lisa Da Silva		
<i>Project ID:</i> 502224	<i>Project Short Name:</i> EBGEF SME Progra	<i>Project Long Name:</i> GEF Small and Medium Size Enterprise (SME) Program	
<i>Original Approval Date:</i> Jun. 11, 2007	<i>Total Funding:</i> 3,297,835	<i>Actual Project Duration:</i> 132 months	
	Original (i)	Revised (i)	Actual (i)
Project Implementation Start	Jan. 1, 1996		Jun. 1, 1996
Project Completion	Jun. 30, 2004		Jun. 30, 2007

<i>Relationship to IFC Project(s)</i>	<i>Relationship Type</i>	<i>Project ID</i>	<i>Project Long Name</i>
IFC TAAS Project	Sub-component of an ongoing TAAS project	504446	EBGEF EBFP
IFC Investment Project	None		
<i>Recipients</i> Financial Intermediary; Other Intermediary	<i>Beneficiaries</i> SME Company		

Objective	<p>Original (Jun 11, 2007) - Objectives of the SME Program</p> <p>1. Global Environmental Objectives and Benefits: The SME Program will finance financial intermediaries that finance globally-dispersed small scale projects that generate either or both biodiversity and climate change benefits. The direct global benefits of the projects financed will be relatively small because the funding provided in any one subproject will be small. More important will be the long term demonstration effect that the Program has to encourage the private sector to incorporate global environmental concerns at the level of small businesses and to provide to the private sector examples of replicable environmentally positive projects.</p> <p>2. Specific SME Program Objectives: To attract greater participation by the private sector in the financing of GEF eligible SME projects more successful examples of these kinds of projects need to be developed and documented. The SME Program seeks to fund and evaluate at least 100 different GEF SME projects. IFC believes that this target number of projects is necessary to provide valid conclusions.</p>
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	Most recent update - N/A
Key Highlights (i) <i>Summarize key project highlights</i>	<p>Entire Project:</p> <p>The SME Program became operational in 1996 and it was the first GEF-funded non-grant SME financing program to target the private sector, offering various concessions to entice private sector involvement. GEF funds are used to finance three specific strategies related to the role of the private sector and financing for GEF eligible SMEs:</p> <ol style="list-style-type: none"> 1. A sufficient number of projects need to be developed to provide a basis for future conclusions and lessons: Financing for a total of 100 SME projects has been set as the goal of the SME Program. 2. Building capacity in non-financial Intermediaries: By using GEF funds to strengthen the capacity of Intermediaries, the Program aims to increase the ability of these institutions to invest in projects with global environmental benefits. 3. Monitoring, evaluation and dissemination of the Program results: in addition to develop 100 SME projects that are commercially viable and that produce global environmental benefits, the dissemination of the lessons learned from the Program is fundamental to potential for commercial financing of GEF SME projects in the future <p>The SME Program was able to offer low- to near-market interest rates on long-term loans of US\$500,000 to US\$1.0 million to various intermediaries (financial, not-for-profit, NGOs and private companies). See Annex 1. It also offered risk incentives and performance fees to encourage the delivery of program objectives. Climate change activities included (i) energy efficiency: promotion of efficient windows, conversions to compact fluorescent lamps, development of energy savings companies, changes in production equipment and energy efficient eco-homes; and (ii) renewable energy: solar power for rural homes and water systems, run-of-the-river and mini-hydro systems. Biodiversity activities included (i) reforestation to Forest Stewardship Council (FSC) standards; (ii) organic farming in buffer zones; (iii) certified harvesting of non-forest timber products; (iv) sustainable harvesting of shade-grown coffee and cacao; (v) eco-tourism projects involving eco-lodges; and (vi) promotion of sustainable plant and wildlife populations through development of private reserves. The SME Program was designed to be flexible, incorporating a small and important TA component aimed at developing the GEF-eligible financial and market capabilities of participating intermediaries and eligible SMEs.</p> <p>The SME Program ultimately disbursed loans to 21 intermediaries which in turn supported approximately 140 SMEs around the world. The projects financed have achieved global environmental benefits in the GEF focal areas of climate change and conservation of biodiversity by financing energy efficiency and use of renewable energy and conservation of various eco-systems. Without the SME Program fewer SMEs would have been involved with GEF-eligible activities, resulting in fewer benefits for the global environment. In addition, the project has demonstrated the sustainability of GEF-eligible SMEs and has resulted in the design of a new program (Environmental Business Assistance Program - project #504446), which aims to significantly scale up the market for GEF-eligible goods and services and increase the number of GEF-eligible SMEs financed by participating FIs.</p> <p>The SME's remaining active portfolio has been assumed under the EBFP and is being supervised, monitored and evaluated under that program.</p>
	Reporting period since last supervision:

Lessons Learned:

Delete Row (i)	Lesson Area (i)	Comments and Suggestions (e.g. What worked well? What would you have done differently?)	<input type="checkbox"/> Add Additional Lessons Learned Row
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Delete Row (i)	Lesson Area (i)	Comments and Suggestions (e.g. What worked well? What would you have done differently?) <input type="checkbox"/> Add Additional Lessons Learned Row
	Design/planning	Fine.
	Pricing	Adequate for the time and objectives of the program; however, pricing was well below market rates and are not to current IFC standards.
	Implementation/delivery	Fine.
	Development Results	Good.
	Project team	Good.
	Consultant work	n/a
	Client commitment/satisfaction	Varries by client.
	Funding leverage	
	Experience with replicating	Positive. The SME Program was the foundation of the Environmental Business Finance Program which seeks to scale up GEF support to FIs for SMEs.
	Link with IFC Investment	None.

Follow up opportunities:

	TAAS	Investment
Are there new business development or replication opportunities?	No	No
If yes, 1. Describe opportunity		
2. Recommended follow up action		

Summary of Supervision Performance Ratings:

Performance Category (i)				
Supervision Reporting Period	Development Results	Financial	Timeline	Overall
#1 [As of Jun. 30, 2007]	A - On or Above Current Targets	A - On or Under Budget	A - On or Ahead of Plan	A - On Track with all Performance Categories
	Rationale for overall performance rating assigned While some of the sub-projects did not perform well, this is to be expected in an innovative structure. The program in general, achieve its objectives in terms of number of SMEs supported and environmental benefits obtained.			

Development Effectiveness:

	Highly Unsuccessful	Unsuccessful	Mostly Unsuccessful	Mostly Successful	Successful	Highly Successful	Not Applicable
Development Effectiveness- Synthesis Rating (Based on criterion 1-5) (i)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rationale	While some of the sub-projects did not perform well, this is to be expected in an innovative structure. The program in general, achieve its objectives in terms of number of SMEs supported and environmental benefits obtained.						

	Unsatisfactory	Partly Unsatisfactory	Satisfactory	Excellent	Not Yet Achieved
1. Strategic Relevance (i)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Rationale	The program had significant impact on its subprojects and a high level of client commitment (although this varied by project).				
2. Output Achievement (i)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Rationale	The program ultimately supported 140 SMEs compared to its 100 objective.				
3. Outcome Achievement (i)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rationale	The program has demonstrated that GEF eligible activities/SMEs can be financially viable.				
4. Impact Achievement (i)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rationale	The program led to the development of the Environmental Finance Business Program which has already encouraged large, mainstream banks to develop lending programs for SMEs undertaking GEF eligible activities.				
5. Efficiency (i)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Rationale	The program was within budget.				
6. IFC Role and Contribution (i)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Rationale	IFC's initial team was proactive and instrumental in identifying and structuring a pipeline of projects.				

Post completion monitoring recommendation [Based on outcome and impact indicator level recommendation within Development Results section that follows]

Recommended	
Recommended duration for annual post completion monitoring	
Approach for post project completion monitoring (including estimated level of effort, resources and funding source)	The remaining SME portfolio is being monitored through the EBF program on a regular basis. No additional follow-up is recommended.

Development Results

Outputs (i) <input type="checkbox"/> Add Outputs Row								
Delete Row (i)	Component /Activities (i)	Discontinued (i)	Indicators (i)	Targets (i)			Results (i)	
				Cumulative		Prior to Period	This Period	Cumulative
				Original	Revised			
<input type="checkbox"/>	Fund and Evaluate a critical mass of SMEs	<input type="checkbox"/> Select reason	Number of unique firms or organizations assisted	100.00		0.00	140.00	140.00

Outcome (i) <input type="checkbox"/> Add Outcome Row													
Delete Row (i)	Component /Activities (i)	Discontinued (i)	Indicators (i)	Baseline (i)		Targets (i)			Results (i)			Is post project completion monitoring by unit outstanding?	If yes, annually for how many years?
				Original	Revised	Cumulative		Prior to Period	This Period	Cumulative			
						Original	Revised	Expect to achieve by					
<input type="checkbox"/>	Demonstrate the viability of SMEs engaged in GEF eligible activities	<input type="checkbox"/> Select reason	% of companies with no payment default	0.00		50.00		Project comp	0.00	54.00	54.00	No	Select one

Impacts (i) <input type="checkbox"/> Add Impacts Row													
Delete Row (i)	Component /Activities (i)	Discontinued (i)	Indicators (i)	Baseline (i)		Targets (i)			Results (i)			Is post project completion monitoring by unit outstanding?	If yes, annually for how many years?
				Original	Revised	Cumulative		Prior to Period	This Period	Cumulative			
						Original	Revised	Expect to achieve by					

				Original	Revised	Original	Revised	Expect to achieve by					
<input type="checkbox"/>	The program is replicated by other institutions	<input type="checkbox"/> Select reason	Number of firms replicating sustainable business products without IFC financing	0.00		1.00		4-5 yrs post	0.00	1.00	1.00	No	Select one

Comments on development results achieved

Entire Project (including additional relevant results (positive and negative) other than those planned)	The outstanding portfolio will be supervised, monitored and evaluated through the EBFP (project#504446).
Reporting period since last supervision	

Financial (USD):

Funding									
Original (i) Jun. 11, 2007	Revised (i)	Actual Expenses (i)			Outstanding Purchase Order Commitments (i)	Total Expenses + Commitments		Funding Balance	
		As of	From to Jun. 30, 2007	Total Jun. 30, 2007		Amt	%	Amt	%
A	B	C	D	E = C + D	F	G = E + F	H = G/(A,B)	I = (A,B)-G	J = I/(A,B)
3,297,835			3,297,835.00	3,297,835.00	0.00	3,297,835.00	100.00%	0.00	0.00%
<p><i>Explanation for significant variances between (1) original and revised funding (A vs. B) and (2) approved/revised funding and total expenses + commitments (A/B vs. G)</i> Investment component will be reported through ACBS.</p>									
Revision Log									

Pricing Goals (i)									
Charging for Products/Services (Yes/No)					No				
Charging details									
Comments <i>Describe the key factors in setting the charging structure. If No selected above, specify reason.</i>					Not applicable (to be revised by TTL)				
Fees/Contributions									
	Original (i) Jun. 11, 2007	Revised (i)	Receipts (i)				Fees/Contributions Balance		
			As of	From to Jun. 30, 2007	Total Jun. 30, 2007 Amt %		Amt	%	
	A	B	C	D	E = C + D	F = E/(A,B)	G=(A,B)-E	H=G/(A,B)	
Cash Fees from Recipients	0			0.00	0.00		0.00		
In-Kind Contributions	0			0.00	0.00		0.00		
Other	0			0.00	0.00		0.00		
<p><i>Explanation for significant variances between (1) original and revised fees/contributions (A vs. B) and (2) approved/revised fees/contributions and related total receipts (A/B vs. E)</i> Leverage amounts are documented in the in individual PSR / PCR for each project.</p>									
Revision Log									

WBS Status								<input type="checkbox"/> Add WBS Row
Delete Row (i)	Discontinued (i)	WBS element	Name	Closed	Expected/Actual close date	Outstanding commitments	Outstanding Fees	Comments
<input type="checkbox"/>	<input type="checkbox"/>	IFC-00502224-TF028364	GEF SME 2-TF028364 (Administration)	Yes	Aug. 13, 2007			

Timeline:

Delete Row (i)	Key Activities for Reporting Period	Activity Status	Timeline <input type="checkbox"/> Add Timeline Row
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Explanation for delays in start and/or completion of key activities and resulting impact on overall project timeframe.

Consultants:

Delete Row (i)	Consultant Name/Firm	Expertise/Comments <input type="checkbox"/> Add Consultant Row
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Project Team:

Core Team Members	Primary	Proxies
Transaction Leader	Lisa Da Silva	Diana Mirzakarimova, Maria del Rosario Rojas
Monitoring and Evaluations Officer	Shir Ashar Naveh	
Finance Officer	Mei Leng Chang	German Mundarain
Team Assistant	Margaret Peters-Fawcett	
Other Team Members	Cecilia Lim, David Martz, OEG Monitoring	
Management Team	Primary	Proxies
Unit Line Manager	Lisa Da Silva	
Unit Manager	Houria Sammari	Annie Go Dizon, Alan Miller

Additional Comment(s):

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Review and Approval Status:

TL/M&E/FinO Initiate Completion - Initiate Completion by Lisa Da Silva at 08/22/2007 06:07:03 PM Comment :
Unit Line Manager Clear - Cleared to Unit Manager by Diana Mirzakarimova at 08/23/2007 12:07:01 PM Comment : Cleared on behalf of Lisa Da Silva.
Unit Manager Approve - Approved by Houria Sammari at 08/23/2007 12:16:35 PM Comment :