



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
CARIBBEAN CLIMATE INNOVATION CENTER
APPROVED ON MARCH 27, 2015
TO

CARIBBEAN INDUSTRIAL RESEARCH INSTITUTE, SCIENTIFIC RESEARCH COUNCIL

FINANCE, COMPETITIVENESS AND INNOVATION

LATIN AMERICA AND CARIBBEAN

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ABBREVIATIONS AND ACRONYMS

CARIRI	Caribbean Industrial Research Institute
CCIC	Caribbean Climate Innovation Center
CIC	Climate Innovation Center
CTP	Climate Technology Program
EPIC	Entrepreneurship Program for Innovation in the Caribbean
IGS	Idea Generation Sessions
POC	Proof of Concept
SRC	Scientific Research Consortium



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BASIC DATA

Product Information

Project ID P131734	Financing Instrument Investment Project Financing
Original EA Category	Current EA Category
Approval Date 27-Mar-2015	Current Closing Date 30-Nov-2018

Organizations

Borrower Caribbean Industrial Research Institute,Scientific Research Council	Responsible Agency Caribbean Climate Innovation Center
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Financing (in USD Million)

SUMMARY

Total Project Cost	3.00
Total Financing	0.00
Financing Gap	0.00

DETAILS

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Project Development Objective (PDO)

Original PDO

The objective of this project is to strengthen the Caribbean Climate Innovation Center (CCIC) capacity so that it can best support clean tech entrepreneurs in developing locally-appropriate solutions to climate change mitigation and adaptation and strengthen their capacity as they grow.

The CCIC supports Caribbean clean tech start-ups/SMEs by providing grant funding, advisory services (including mentoring, incubation services and technical assistance), and through its coordination, networking and outreach efforts, the CCIC aims to facilitate greater transfer of knowledge, know-how and experience among Caribbean climate technology firms. In parallel, the CCIC also facilitate the creation of new investor networks, enabling ventures in the Caribbean to capitalize on increased investment opportunities and access to follow-on funding.

The CCIC is part of a broader program of support to Caribbean entrepreneurs, the Entrepreneurship Program for Innovation in the Caribbean (EPIC), financed by the Canadian government. The CCIC is also benefits from its association with World Bank’s Clean Tech Program (CTP) and its Climate Innovation Centers (CIC) Network, a global network of similar centers supporting clean tech climate entrepreneurs. The CCIC is implemented and overseen by a consortium consisting for Scientific Research Council (SRC) in Jamaica and CARIRI in Trinidad and Tobago. Based in Jamaica, the CCIC also works with voluntary partner hubs in 13 Caribbean countries to extend its services.

Summary Status of Financing

TF	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
TF-A0081	22-Apr-2015	22-Apr-2015	22-Apr-2015	30-Nov-2018	1.50	1.45	.05

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

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I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Description

1. The objective of this grant is to strengthen the Caribbean Climate Innovation Center (CCIC) capacity so that it can best support entrepreneurs in developing locally appropriate solutions to climate change mitigation. The target beneficiaries of the project are aspiring and existing clean tech entrepreneurs from the CARICOM region.



2. The project model is based on building the capacity of the CCIC to support and provide services, including financing, mentoring, incubation services and technical assistance of promising entrepreneurs to launch their products, strengthen their market share and investment readiness. The CCIC also forms partnerships with local entrepreneurship support entities, named hubs, throughout the Caribbean islands to help identify and to deliver support services to clean tech entrepreneurs across the region. The CCIC is part of a network of other Climate Innovation Centers (CIC) being set up around the world by infoDev's Climate Technology Program (CTP).
3. The latest financing for the CCIC has been provided by a grant (TF-A0081) by The World Bank Group on behalf of the Government of Canada in the amount of US\$1,500,000, as one of the components of their Entrepreneurship Program for Innovation in the Caribbean (EPIC). The implementing agency, is a Consortium of Caribbean Industrial Research Institute (CARIRI), based in Trinidad and Scientific Research Council (SRC) based in Jamaica. The project implementation period commenced March 27, 2015 with a scheduled closing date of November 30, 2017 that was later extended to November 30, 2018.
4. The proposed change to the project is a 2-month extension of the grant closing date from November 30, 2018 to January 31, 2019. This follows the one-year extension granted in November 30, 2017. The requested extension is to ensure that the CCIC has adequate time to deepen its ability to self-generate revenues to ensure its sustainability beyond the project closing and further improve the results they are achieving on the ground. A recent audit up to November 2017 was conducted, and although delayed, was found satisfactory. There are no overdue audits and no outstanding IFRs. The end disbursement date of May 31, 2019, of the Administrative Agreement is not being extended. As the RETF extension of the closing date will be January 31, 2019, the grace period will be shortened from 4 months to 2 months. The disbursement deadline date will remain the same and does not change.

B. Project Status

5. **Progress.** In FY18, CCIC made considerable strides in establishing itself as a key stakeholder and leader in the clean tech space. Over the past couple of years, it has greatly expanded and improved its core program offerings. Beyond the original Proof of Concept grants, CCIC now offers: (i) ideas-generation workshops (IGS) to expose entrepreneurs to climate-related problems in need of market-based solutions; (ii) boot camps focused on equipping entrepreneurs with skills necessary to develop and improve their concept and create a clear road map for execution; (iii) a pre-accelerator program aimed at providing foundational support for early stage entrepreneurs, (iv) accelerator programs involving intensive mentoring, networking, and customization services, and (v) incubation co-working space. In addition to those defined services, CCIC conducts ad hoc capacity building workshops, such as grant-writing and investment readiness, for their entrepreneurs and others. The CCIC has also expanded the range of clean tech topics it supports to cover climate smart agriculture, renewable energy, energy efficiency, waste/water management, green tourism, and transport.
6. The number of partnerships and engagements the CCIC has made with other stakeholders has grown considerably. CCIC has continued to build team capacity, improve engagement and knowledge dissemination with the hubs to better serve climate tech entrepreneurs in the region. CCIC's partnerships have expanded beyond their hub partners to also include financial institutions, universities, research institutions, and global organizations such as Cherie Blair Foundation.

Some of the results achieved by the project from inception to date are listed below:

- (a) The CCIC has exceeded its initial target of supporting 80 entrepreneurs and is well on its way to support over 1000 entrepreneurs from 15 CARICOM countries through its various activities, including s accelerator and pre-accelerator program, and bootcamp/IGS sessions.
- (b) CCIC entrepreneurs have raised over US\$ 496,000 amount in investments.



- (c) The CCIC has delivered over 13 bootcamps in partnership with local hubs, including a Women Greentech bootcamp in St. Lucia.
- (d) CCIC has had over 23 entrepreneurs go through its accelerator program.
- (e) CCIC developed its own online-acceleration course that was shared with the hubs and other CIC network members.
- (f) Formed over 30 partnerships with a range of ecosystem players, including international clean tech organizations, mentoring programs, business associations, universities and financial institutions.
- (g) Two of those partnerships have resulted in raising an additional \$236k for capacity building programs.
- (h) CCIC staff have presented in global forums on their program, including in Guatemala.
- (i) CCIC hosted a one-day climate innovation summit

7. Overall the CCIC has achieved its targets, however a key pending issue is long term sustainability. About 97% of the trust fund has been disbursed, with only \$50K remaining to be withdrawn of the \$1.5 million RETF. With the extension of the grant closing date, the recipient will be able to deepen their results, further support their entrepreneurs and disburse the remaining available balance. More importantly, the additional time will help fund the CCIC as they await new financial partnerships and contracts to come online early next year.

8. **Sustainability.** The capacity of the CCIC has improved considerably and CCIC is working on developing its revenue sources – whether through partnerships or fee-based services:

- (a) **Partnerships with regional and international organizations:** In addition to existing partnerships with the Caribbean Development Bank and the Cherie Blair Foundation, recent partnerships have been developed with (i) SHOS, a California-based non-profit association which is partnering with CCIC to engage Jamaican students and their communities in renewable energy through the Jamaica Community Solar Challenge, (ii) Mercy Corps, a leading global organization which is partnering with CCIC to implement the MicroMentor program that empowers entrepreneurs by providing access to mentoring while also providing organizations with meaningful employee engagement opportunities.
- (b) **Revenue generation:** CCIC has worked to develop multiple revenue streams for its sustainability beyond the project. For example, CCIC signed on with the Development Bank of Jamaica to assist entrepreneurs in the DBJ grant competition, for which CCIC will receive a commission for each successful proposal (recently 4 of 5 of their entrepreneurs were successful). CCIC has also designed and delivered entrepreneur workshops on a fee basis. They can also generate revenues from incubation space and hot desk rentals, as well as commercialize their online accelerator program and client relationship management system.
- (c) **Continued Consortium Support:** Scientific Research Council (SRC) is part of the consortium supporting and advising the CCIC. It has provided CCIC with additional building space rent-free for a co-working incubation space. This will help CCIC generate additional income from tenants and boost the CCIC's service offerings and brand awareness. SRC has also agreed to provide book keeping support to the CCIC, helping to reduce their administrative costs.
- (d) **Potential Support:** Still, as with most incubators, external or donor funding is required. There are several potential areas the CCIC is exploring, including the upcoming Caribbean Climate Smart Accelerator, whereby the CCIC could potentially be a strong implementation provider given its already developed clean tech entrepreneur offering. CCIC is also in discussion with the Institute of National Ecology and Climate Change (INCC) for implementing climate change technology transfer between the LAC and the Caribbean; working with LeapCo to provide impact funding for their entrepreneurs; and entrepreneur capacity building with local universities.

II. DESCRIPTION OF PROPOSED CHANGES

C. Rationale for Restructuring



9. The proposed extension would allow sufficient time for the CCIC to cement the CCIC’s sustainability beyond the project close date. In addition, an extension of the project closing date would ensure that project funds will be fully disbursed. Remaining deliverables include:

- (a) Increasing the number of entrepreneurs who receive additional finance.
- (b) Increased track record of supporting entrepreneurs in the accelerator program to help them move into their next development stage.
- (c) Continued development of own-resource revenue generating activities and partnerships.
- (d) Rollout of the on-line mentor monitoring pilot to other Climate Innovation Centers to help connect their entrepreneurs to global mentors.

10. The PDO and project components will remain the same.

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III. SUMMARY OF CHANGES

	Changed	Not Changed
Loan Closing Date(s)	✓	
Implementation Schedule	✓	
Implementing Agency		✓
Project's Development Objectives		✓
Results Framework		✓
Components and Cost		✓
Cancellations Proposed		✓
Additional Financing Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
Change in Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓



Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Other Change(s)		✓

IV. DETAILED CHANGE(S)

LOAN CLOSING DATE(S)

TF	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
TF-A0081	Effective	30-Nov-2017	30-Nov-2018	31-Jan-2019	29-Mar-2019

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