SUMMARY OF THE PROJECT IN DESIGN * (*)

EcoMicro 2.0/Climate Resilience Through Deep Tech Acceleration in the Caribbean Basin (PPCR)

PITCH ELIGIBILITY DATE	COUNTRY(IES)
10/06/2021	Guatemala, Guyana, Haiti, Honduras, Jamaica, México, Nicaragua

PARTNER(S)
IDB Lab

PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT (**)

TOTAL BUDGET	IDB Lab	LOCAL COUNTERPART AND COFINANCING
US 1,906,000	US 953,000	US 953,000

DESCRIPTION

The problem A key lesson learned through the execution of EcoMicro 1.0 (RG-M1205) TC Facility has been that increasing access to green finance alone is not sufficient to build resilience of MSMEs, low-income households and wider communities. In addition to providing access to green finance, which promotes demand for and uptake of technology solutions, - it is equally important to catalyze innovation in the supply of broad-based ClimateTech solutions, including clean-tech, blue-tech, ag-tech, water-tech, and digi-tech, that will contribute to the fundamental imperatives of climate resilience, decarbonization, waste management/circular economy, nature-based solutions and sustainable green economic recovery post COVID-19. Without the availability of locally relevant and affordable ClimateTech solutions, MSMEs and low-income households will remain challenged in their quest to build climate resilience, and more broadly, there will be missed opportunities to enable greener and sustainable economic recovery post-COVID.

The solution As countries navigate the transition from coronacrisis to economic recovery, there lies a key opportunity to champion green recovery as a pathway towards more inclusive, sustainable, and resilient growth. Climate resilience lies at the core of economic resilience and therefore bold climate action now, will promote sustainable economic recovery post-COVID-19. Harnessing transformative change in data and deep technology (AI, Big Data, etc.) capabilities holds significant potential to power economic recovery post COVID-19 that is climate-neutral and resilient. This will promote broad-based climate resilience in Central America and the Caribbean via deep technology solutions that drive economic reactivation.

The beneficiaries Direct beneficiaries are climate tech start-ups that will receive financial support and mentorship to bring to market their climate tech solutions, this will also include female founder teams. Indirect beneficiaries, who will benefit from the climate tech solutions being accelerated, include vulnerable households, MSMEs, communities, and/or public-sector services, with the objective to build their resilience to climate change.

The partner IDB Lab Executed (supervision of individual operations and reporting). Note that Individual agreements will be signed with each startup executing a CRIG.

The IDB Lab's contribution USD953,000 Core funding from PPCR, IDB Lab is not contributing funding directly to this operation. Between 2 to 4 Contingent Recovery Investment Grants CRIGs will be financed, each valued at between US$250,000 to US$50,000.

*The information mentioned in this document is indicative and may be altered throughout the project cycle prior to approval. This document does not guarantee approval of the project.
**The IDB categorizes all projects into one of four E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, B13, is a catch-all category not related to severity of impacts; it covers non-investment lending and flexible lending instruments for which ex-ante impact classification may not be feasible, such as Financial Intermediary operations or Policy Based Loans.