



GREEN FOR  
GROWTH FUND  
TECHNICAL ASSISTANCE FACILITY

# EARLY STAGE GREEN INNOVATION SUPPORT PROGRAM

For Entrepreneurs



Supported by



Federal Ministry  
for Economic Cooperation  
and Development

# CRISIS RESPONSE PROGRAM

## For Entrepreneurs

For the past two years, the world has been grappling with the effects of the coronavirus. However, the hardship and loss endured have underscored the importance of resilience and the imperative of building a more equitable and sustainable future.

For businesses and households in particular, a sudden drop in revenue can have ramifications that are no less than existential. This heralded wider problems for regions such as Southeast Europe, the EU Eastern Neighbourhood, and the Middle East and North Africa, target regions of the Green for Growth Fund (GGF), whose populations rely on the small and medium enterprise (SME) segment as a significant contributor to livelihoods, income generation and employment.

The impact of the crisis on SMEs in GGF's regions was, and continues to be, significant. More than 80% of small businesses in the Western Balkans – an area where SMEs account for 99% of all firms and 73% of employment – reported heavy losses in 2020<sup>1</sup>. Half of enterprises were obliged to discontinue business activity entirely at some point over the course of the year.

That's why the European Union (EU) launched its "TEAM EUROPE" global response to combat the immediate adverse impacts of the crisis as well as lay the groundwork for a sustainable future. The EU provided EUR 85.5 million to the

GGF – an EU-supported impact investment fund whose aim is to mitigate climate change and promote sustainable economic growth in 19 countries – to counteract the economic fallout caused by the pandemic.

The GGF, through its Technical Assistance Facility (TAF), has been actively supporting green SMEs and entrepreneurs from its target markets with the belief that the next solution to the climate crisis may come from the Balkans or the Middle East given the right opportunity. Supporting these same firms to weather the COVID-19 crisis was critical to ensuring jobs and livelihoods but also the future innovations and green solutions they embody.

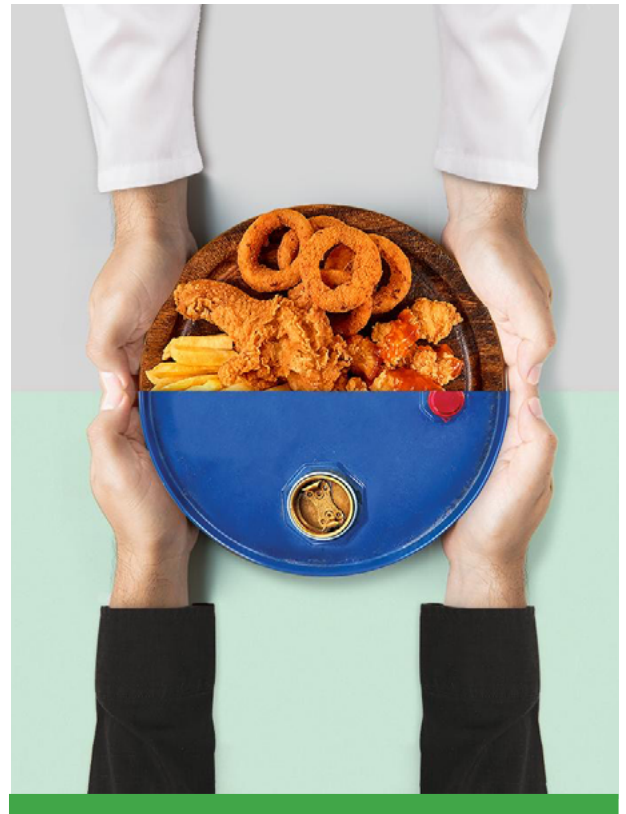
The scope of the "COVID-19 Response – Early-Stage Green Innovation Support" program has been broad, channeling EUR 152,000 to 11 ventures, representing homegrown business models and green solutions in each of the fund's regions of operation. While smaller firms often have less recourse to support from traditional structures, they benefit from nimbleness and resilience born out of their entrepreneurial spirit. Ventures supported by this program have used funds to pivot their business models, develop new products and applications in response to changing markets, or redouble their marketing efforts to ensure a promising product is ready for when business returns to a new normal.

<sup>1</sup> OECD (2020), Covid-19 Crisis Response in South East European Economies



# Tagaddod S.A.E.

Tagaddod S.A.E. is an Egyptian based green enterprise with an innovative circular economy business model that collects used cooking oil from businesses and households and recycles it to make biofuel. COVID-19 and public health regulations hurt the firm's door-to-door collection model, particularly with households, that led to a nearly 50% drop in revenues by May 2020. Tagaddod's business model relied upon rebuilding its supply base, and with GGF TAF support the company launched a marketing and outreach campaign focusing on businesses. The campaign's success allowed Tagaddod to move closer to its key user, restaurant chefs, through outreach and high-profile photoshoots. To date, the firm has acquired 500 new suppliers, to reach a total of over 1100 active and repeat business users of its services. This has translated to a 69% increase in monthly used oil supply from business users. The broader social media campaign has substantially raised the firm's brand, reaching over 283,000 people and engaging with over 5,400 potential prospects. In addition, the campaign enabled Tagaddod to increase their revenue by more than EUR 300,000 and hire 15 new employees.

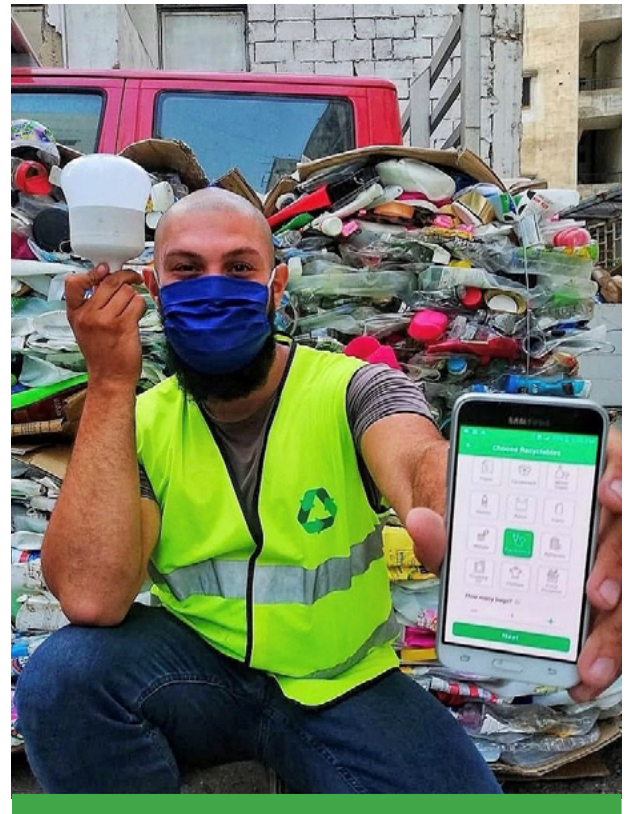


*The support pushed us to market our services during uncertain times which definitely supported us to get a head start with our marketing strategy. The campaign was extremely helpful to listen to the needs of our customers and customize our service accordingly, which in turn boosted our revenue for the year.*

**NOUR EL-ASSAL, CEO**

# Live Love Recycle

Live Love Recycle (LLR) was born out of Beirut's 2015 waste crisis, which followed the closure of a major city landfill. LLR knew that a key issue in combating the waste problem was a lack of information about options. "We could see that there wasn't much awareness in the city of how to sort out waste, and what to do with it," explains Georges Bitar the CEO. In response, LLR introduced the world's first crowdsourced recycling platform that brought together all stakeholders in the recycling process and by 2020 reached over 20,000 residents of Beirut. The company was left reeling after the 2020 Beirut port blast destroyed the company's warehouse but rebounded quickly to support the city's response in the aftermath. COVID-19 and the subsequent lockdowns were a further shock to the company, as they were forced to reduce activities, lost clients, and saw operational costs rise in response to health regulations. With GGF TAF support, LLR was able to update their application – including critical features to limit person-to-person contact, and will develop marketing to promote the updated application and to attract new clients. LLR has been able to maintain operations and employ staff from underserved communities while continuing to address Beirut's recycling and waste management challenges thanks to this program.



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*The project was very helpful, and it came in a time when most needed. We want to be part of a green solution to the city's waste management problem. By providing a product that is cost effective and efficient, and with people becoming more knowledgeable about how to recycle, we are getting closer to creating a better and greener future for the city.*

**GEORGES BITAR, CEO**

# Episome Biotech



Building a successful green business comes with many challenges to overcome. In the case of Episome, it had already developed and held a patent for producing biogas and fertilizer from paper mill sludge by using a novel biological pre-treatment method, which is both environmentally friendly, and cost-effective. With an innovative circular economy solution in hand, the firm was on the brink of expanding their business until the global pandemic brought their marketing efforts to a complete halt. That is where the GGF TAF stepped in. By providing funding, the company was able to work with marketing and business development experts in order to reach out to existing and potential customers – including 7 papermills and 10 agricultural clients in Europe.

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*Just as we were planning on expanding our business, COVID-19 shut us down. But thanks to the funding received from the GGF TAF, we were able to work with business and marketing experts who helped us reach out to new customers.*

**MURAT BALABAN , CHAIRMAN OF THE BOARD**



# DARB Co.



DARB is an innovative Jordanian green venture that addresses the challenge of dust accumulation on solar panels through automated cleaning solutions. Dust accumulation reduces the effectiveness of panels by as much as 60% and raises operational costs. Existing automated solutions are either ineffective, unreliable, expensive or may damage the panels. DARB has addressed these challenges and builds its products at a local factory that it operates. The pandemic has strained DARB's supply chain due to its reliance on imported inputs and lockdowns have repeatedly closed its factory, effectively halting sales, and new business leads. Support from the GGF TAF bolstered the company's marketing and branding efforts, which enabled them to reach a larger customer base and create sales. This enabled the company to close deals and generate revenue.

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*Thanks to the program and marketing campaign, we were able to close deals and generate new revenue. It has enhanced our reputation in the solar cleaning market and increased our networks and relationships with contractors. Without a doubt, this program was a milestone in our growth and development.*

**MONTHER FADEL, OPERATIONS MANAGER**

# Solagro Smart Recycling d.o.o.

Solagro gamifies recycling, believing that people's recycling habits can be changed by making the process affordable, efficient, and fun. The Serbian venture has developed a variety of analogue can and bottle crushers and, more recently, a more sophisticated smart recycling system linked to a mobile application. The firm relied upon festivals across the Western Balkans for a substantial share of revenue and business, which COVID-19-related lockdowns halted. This not only had an impact on direct revenues but also affected the support from Solagro's corporate partners, such as packaging producers, beverage companies, and grocery stores. To maintain the mission of the company as well as its brand recognition, Solagro used the finance from the GGF TAF to develop a digital mobile game to make recycling solutions accessible to everyone.

The game educated users on the benefits of recycling, while linking them to the Solagro's business application and offering cross-over benefits for real-life recycling. At a time when people remained locked down at home, this creative marketing strategy allowed Solagro's brand to reach over 360,000 people. Solagro has emerged from the other side of the pandemic and will be piloting ever more innovative and advanced recycling technologies in its regional markets.



*The support from the GGF TAF empowered us to create new business models for recycling activations which are an important part of our business operations. And as the world turned to more digital interactions due to COVID-19 containment measures, we found an opportunity to raise awareness on recycling via our gaming platform.*

**NEMANJA JANIC, CO-FOUNDER AND CEO**

# EcoVillage Farms

EcoVillage embodies the can-do entrepreneurial spirit and resilience in the face of crisis. A successful Moldovan events and training company, hosting 2,500 visitors in 2019, its operations were shuttered overnight by the pandemic response. Part of the company's business model involved partnering with local farmers – and additionally supporting them in achieving organic and sustainable certifications – and serving visitors healthy, locally grown meals. EcoVillage not only worried about their own survival but also the survival of farmers and suppliers with whom they had supply contracts and partnerships. With residents in Chişinău stuck in their homes, EcoVillage identified an untapped opportunity to begin a direct to customer produce delivery service, and so a new branch, EcoVillage Farms, was established. Support from the GGF TA Facility was essential in financing this pivot, as it allowed the firm to improve accounting and inventory management, develop a marketplace and online payment system, train a bike courier service, and develop an application as well as market it to clients. What's more, the program enabled EcoVillage Farms to create and adopt an inventory app which has decreased coordination time by 50%. As a result, EcoVillage Farms increased sales by 14%, boosted its operational efficiency, acquired new long-term customers, honored its supply contracts, and even extended its supply base to incorporate more farmers into their business.



*Thanks to the sponsorship, we have been able to improve visibility and efficiency of our business, reduce costs, and gain long term clients. This has helped us a lot to cope with the crisis and come out with improved systems, products, and new ideas for client retention.*

**VALERIA ŞVART, THE EXECUTIVE DIRECTOR**





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