GGGI Refreshed Strategic Plan 2015 – 2020

Accelerating the Transition to a New Model of Growth
# Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreword</td>
<td>5</td>
</tr>
<tr>
<td>Summary</td>
<td>7</td>
</tr>
<tr>
<td>The Green Growth Approach</td>
<td>11</td>
</tr>
<tr>
<td>Organizational Context: Our Story So Far</td>
<td>17</td>
</tr>
<tr>
<td>Our Core Values</td>
<td>18</td>
</tr>
<tr>
<td>Cross-Cutting Priorities: Moving to Implementation and Delivering More for Less</td>
<td>21</td>
</tr>
<tr>
<td>Moving to Implementation: Integrated ‘ONE’</td>
<td>21</td>
</tr>
<tr>
<td>GGGI Service Offerings aligned with the GGGI</td>
<td></td>
</tr>
<tr>
<td>Green Growth Value Chain</td>
<td>21</td>
</tr>
<tr>
<td>Delivering More for Less: Demonstrating Results and Maximizing Impact</td>
<td>21</td>
</tr>
<tr>
<td>Optimizing our Delivery Model</td>
<td>27</td>
</tr>
<tr>
<td>Delivering in-country - Green Growth Planning and Implementation (GGPI)</td>
<td>27</td>
</tr>
<tr>
<td>In-country and Global Delivery - Investment and Policy Solutions Division (IPSD)</td>
<td>29</td>
</tr>
<tr>
<td>Building Innovation and Intellectual Capacity – Thought Leadership (TL)</td>
<td>30</td>
</tr>
<tr>
<td>Strategic Engagement on Green Growth</td>
<td>31</td>
</tr>
<tr>
<td>Our Theory of Change</td>
<td>33</td>
</tr>
<tr>
<td>Maximizing Impact through Four Thematic Priorities:</td>
<td>40</td>
</tr>
<tr>
<td>Sustainable Energy</td>
<td>42</td>
</tr>
<tr>
<td>Green Cities</td>
<td>44</td>
</tr>
<tr>
<td>Sustainable Landscapes</td>
<td>46</td>
</tr>
<tr>
<td>Water &amp; Sanitation</td>
<td>48</td>
</tr>
<tr>
<td>Maximizing Institutional Effectiveness</td>
<td>51</td>
</tr>
<tr>
<td>Managing for Results</td>
<td>51</td>
</tr>
<tr>
<td>Ensuring Sustainability and Safeguards</td>
<td>51</td>
</tr>
<tr>
<td>Driving the Global Agenda</td>
<td>52</td>
</tr>
<tr>
<td>Investing in our Human Resources</td>
<td>52</td>
</tr>
<tr>
<td>Strengthening our Funding Model</td>
<td>52</td>
</tr>
<tr>
<td>Anti-Corruption</td>
<td>53</td>
</tr>
<tr>
<td>Risk Management</td>
<td>53</td>
</tr>
<tr>
<td>Communicating for Change</td>
<td>54</td>
</tr>
<tr>
<td>Measuring our Success</td>
<td>54</td>
</tr>
</tbody>
</table>
The GGGI Strategic Plan 2015-2020 has set a clear direction for the organization: deliver concrete technical assistance to developing country governments through embedded country teams, and build a strong GGGI central team to develop bankable projects and help structure finance from international, national and private sector sources to implement projects on the ground.

I am impressed with GGGI’s performance against the plan thus far and I would like to express my admiration for the work of the Council, my predecessor, Yvo de Boer, the GGGI management team and all its staff in building up GGGI over the last several years. We have built up a great many country programs embedded with partner governments, and have built up a strong green investment services team. This provides a solid foundation to take GGGI designed bankable projects and national finance vehicles to scale, catalyzing investment flows toward green growth outcomes.

Since the adoption of the Strategic Plan, the Paris Agreement and Sustainable Development Goals (SDGs) have introduced a significant change to our landscape. Nationally Determined Contributions (NDCs) and SDG targets now provide an excellent framework for the transition towards a green economy for our members and for the planet. Through our work, GGGI will deliver concrete outcomes: to support our member governments achieve the commitments expressed in their NDCs and their SDG targets.

At the halfway mark of our 2015-2020 Strategic Plan and the beginning of my tenure as Director General, we have reflected on our progress against the Plan to date and have ‘refreshed’ aspects of the plan to enhance GGGI’s strategic position to deliver such concrete outcomes, without changing the major premises on which the strategy was built:

- Committed to a new set of sharpened strategic outcomes of direct relevance to the national development goals of Member country governments;
- Defined GGGI core values fundamental to driving results against our mission and increasing staff engagement to perform at their best;
- Updated the description of our operational delivery model, including a description of the new Office of Thought Leadership’s role in shaping innovative approaches to green growth knowledge acquisition and sharing by Member countries;
- Revised our resource mobilization targets downward to chart a more sustainable rate of growth for GGGI, together with building an effective and efficient capacity for earmarked proposal development throughout the organization with a central role for our country teams to mobilize resources for the Country Planning Frameworks;
- Included a description of the Risk Management and Anti-Corruption policies and measures we have put in place.

I believe that GGGI is excellently positioned to lead on the new development paradigm that focuses on a model of economic growth that is both environmentally sustainable and socially inclusive. In the remaining years of our strategy to 2020, and beyond, my priority is to lead the organization to move the needle on the national and international green growth outcomes that we contribute to.

Frank Rijsberman
Director General
Summary

Our Vision
A resilient world of strong, inclusive, and sustainable growth.

Our Objective
A global transition toward a model of green growth.

While this will be differentiated at the country level, at its core will be strategies that simultaneously achieve poverty reduction, social inclusion, environmental sustainability, and economic growth.
Working across the thematic priorities of sustainable energy, green cities, sustainable landscapes, and water & sanitation, GGGI aims to deliver impact through six strategic outcomes:

1. GHG emission reduction

2. Creation of green jobs

3. Increased access to sustainable services, such as, clean affordable energy, sustainable public transport, improved sanitation, and sustainable waste management

4. Improved air quality

5. Adequate supply of ecosystem services

6. Enhanced adaptation to climate change

These will be achieved through our activities that:

Strengthen national, sub-national, local green growth planning, financing, and institutional frameworks

Increase green investment flows

Improve multi-directional knowledge sharing and learning between South-South and South-North-South countries

Our activities will be centered around:

Demand-driven and bespoke technical advisory, knowledge development, and private sector solutions for pro-poor green growth interventions

Inclusive green growth plans, strategies, and investment plans with implementable actions

Support to create enabling environment for public and private sector investment in green growth initiatives

Global institutional relationships, partnerships, and knowledge networks formed and leveraged to advance our work

Ensuring professionalism of the organization
We will enable strategic and organizational shifts to maximize our impact on the ground.

In recognizing the urgency of action on climate change, the growing importance of private finance in meeting global development challenges, and the interdependence of countries, systems, public/private actors, we will focus on the following two key cross-cutting priorities:

1. Moving to Implementation: Integrated “ONE GGGI” Service Offerings aligned with the GGGI Green Growth Value Chain

2. Delivering More for Less: Demonstrating Results and Maximizing Impact

We will streamline our delivery model and place a strong focus on inclusive green growth in Least Developed Countries (LDCs) and Lower Middle Income Countries (LMICs). We will create an organizational structure and operationalize a theory of change that recognizes the need to combine in-country technical assistance with specialist knowledge development and tailored green investment advisory services.

We will use our direct in-country and global experience to influence the green growth policy agenda. We will leverage impact from the feedback cycle between our in-country work and global networks in order to enhance the global dialogue on green growth, maintain our relevance and facilitate the development of an enabling environment for green growth.

We will increase our focus on leveraging the influence of GGGI Members, maximizing the impact of partnerships and knowledge sharing, and driving change through a robust shared vision of green growth. Tapping into our governance body and unique in-country experiences to generate tangible support for green growth policy agenda in-country and globally, we aim to influence, inspire, and inform a shared journey toward green pathways.

Finally, we will reinforce our efforts to maximize organizational cost-efficiency through refining our management structure and implementing operational systems and processes across the organization that espouse value for money.
The Green Growth Approach

There is clear evidence that sustained economic growth is a major driver of poverty reduction and human development. Over the past decades, rapid economic growth has pulled more than 600 million people out of poverty, and improved their quality of life. With about 900 million people worldwide still trapped in extreme poverty, the growth imperative remains strong, especially in developing nations.

However, sustaining economic growth with the incumbent model is a serious concern. Growth came at the expense of unsustainable use of natural resources and massive negative impacts on the environment, leading to dangerous air pollution, biodiversity loss and climate change.

Lack of significant action to tackle immediate and long-term consequences of climate change and natural resource depletion now threatens the progress made in tackling global poverty and development. With growing population and urbanization, the case for rapid transition to greener models of growth is increasingly stronger.

Gains from past growth policies also have not reached everyone. In fact, inequality is now a defining challenge of the 21st century. Globally, 1.1 billion people still lack access to electricity, 2.6 billion do not have access to sanitation, and 900 million remain without access to clean drinking water. Green growth simultaneously strives for social inclusiveness along with environmental protection, and recognizes that negative consequences of air pollution, unsafe water and climate change disproportionately impact the poorer sections of society.

The concept of green growth is not new, and has gained traction since the Rio+20 conference with the endorsement by multilateral development banks that “the need to transition towards green growth has been recognized as key to sustainable development and prosperity”. In essence, green growth is a “pathway to sustainable development”. Based on these notions, other proponents of the green growth concept have put forward their definitions.

According to the OECD, green growth is about “fostering economic growth and development, while ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies”. The World Bank's Inclusive Green Growth report defines the concept as “growth that is efficient in its use of natural resources, clean in that it minimizes pollution and environmental impacts, and resilient in that it accounts for natural hazards and the role of environmental management and natural capital in preventing physical disasters”. UN Environment defines a green economy, a concept closely associated with green growth, as an economy that leads to “improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities”.

GGGI’s definition emphasizes the importance of economic growth for development and poverty reduction, together with the importance of environmental sustainability and the social inclusion, for sustenance of growth and the achievement of sustainable development.
The Green Growth Approach

GGGI’s Definition of Green Growth

Green growth is a development approach that seeks to deliver economic growth that is both environmentally sustainable and socially inclusive.

Green growth aims at multiple objectives in economic, environmental and social dimensions, and recognizes that issues are inter-related, and development is specific to culture and context. Thus, an integrated approach, long-term thinking and local solutions with a global view are key aspects of the green growth approach.

The transition to a low carbon economy is a major theme of the green growth agenda, as it provides an integrated approach to deliver development, resilience, and environmental protection together. Climate mitigation and adaptation policies and measures can deliver results against development objectives, and robust sustainable development policies and actions can deliver greenhouse gas emission reduction and enhance resilience to climate impacts. Similarly, concepts such as ‘eco-innovation,’ ‘eco-efficiency’ and the ‘circular economy’ improve resource efficiency and innovation. Innovation is essential to deliver resource efficiency, through dematerialization of our needs where possible and closing the loop in the product lifecycle. Innovation spurs green economic growth through new products, services and ways of doing thing. As such, these concepts all contribute to the green growth agenda.

It seeks opportunities for economic growth that are low-carbon and climate resilient, prevent or remediate pollution, maintain healthy and productive ecosystems, and create green jobs, reduce poverty and enhance social inclusion.
Green Growth:

1. Increases the quantity and quality of natural resources and environmental services. Given these are factors of production, their availability is critical to higher and longer-term economic growth.

2. Increases the productivity of resources, i.e. it allows generating higher growth with fewer resources.

3. Drives new technologies or innovative application of existing technologies. Innovation is a key driver of economic growth.

4. Focuses on removing the market failures present among economic, environmental, and social goals, contributing to more efficient allocation of resources in the economy.

5. Pursues an inclusive and participatory approach, putting in place mechanisms for benefit sharing, in particular to benefit those who are dependent on natural resources and most vulnerable to climate change.
The Green Growth Approach

Green Growth Features

Green Growth
It places an emphasis on economic growth as a driver of welfare improvements and poverty reduction.

It encompasses economics and political leadership and considers the role of effective institutions and non-public actors (e.g. business and civil society).

It is context-specific. No particular green growth path will be best across all economic, environmental, and social dimensions, but green growth recognizes the strong interaction between them.

It recognizes the value of natural capital, improves resilience, and is inclusive and equitable.
Organizational Context: Our Story So Far ...

The Global Green Growth Institute (GGGI) was established in 2010 as a Korean non-profit organization. GGGI Members have referred to the Institute as having gone through a double transition: the transition to an international organization in 2012 and the transition within GGGI’s top management team.

Reviews of GGGI’s country programs throughout 2013 demonstrated that GGGI, acting as a trusted partner to governments, has made significant achievements in its green growth planning and implementation work and that “GGGI’s efforts and advice are effectively playing a direct and important role for the content and direction of national or sector specific plans and processes.” GGGI’s “responsive and flexible” approach has resulted in tangible outcomes and expectation of ongoing results and impact in the future. However, at the time Members felt there was more to be done, particularly in ensuring that our delivery model is systematic, long-term, and geared toward getting closer to implementation.

The Strategic Plan 2015-2020 was developed in 2014 to reflect an integrated approach to green growth programming and to align the operational model and institutional capabilities. GGGI began implementing its new Strategic Plan in 2015, with a new results-based management approach, a committed and experienced executive management team, and the application of lessons learned from our achievements and challenges to date.

In 2015 and 2016, GGGI implemented 50 projects across 25 countries. Successes in these programs have been recognized amongst GGGI Members and non-Member partners and governments. The focus of most of these projects was to strengthen policies for green growth in partner governments, setting the scene for implementation in the next biennium of 2017-18.

In the short span of time since the adoption of the Strategic Plan, GGGI has undergone fundamental transformation to emerge as a nimbler and more results-focused organization and is on track to meeting its 2020 goals. However, there is still more to be done with respect to both overarching themes of improving the quality and effectiveness of GGGI services, and delivering more for less. Focusing on principles of consolidation, a sharpened focus on transformational outcomes, shared goals, and core values, GGGI will continue to pursue its objective of bringing about transformational change through green growth.

Our Core Values

GGGI’s five core values provide the guiding framework for the way we work. We will continually engage our people to uphold our values, in order to embed an organizational culture that is innovative, collaborative and focused on delivering results against our mission as “ONE GGGI”.

we have INTEGRITY

We uphold high accountability and transparency standards;
We are objective and independent;
We prioritize social and environmental responsibility.

we are INCLUSIVE

We champion diversity;
We engage widely in decision-making;
We provide equal opportunity.
we are TRANSFORMATIONAL
We aim for catalytic outcomes serving country needs;
We balance short term results with a long term outlook;
We leverage our outcomes through partnership.

we value BOLDNESS
We solve problems with optimism;
We continuously learn and adapt;
We seek and scale up creative new solutions.

we strive for EXCELLENCE
We apply technical rigor;
We demonstrate thought leadership;
We drive continuous improvement.
Cross-Cutting Priorities: Moving to Implementation and Delivering More for Less

Based on the lessons instilled from our first strategic plan, an analysis of our successes and ongoing challenges, and a consideration of needs and demands of our Members and partners, we will focus on two broad cross-cutting priorities from 2015-2020. We believe that an organizational focus on these priorities will enhance our success in delivering our outputs. They are:

1. Moving to Implementation: Integrated “ONE GGGI” Service Offerings aligned with the GGGI Green Growth Value Chain

2. Delivering More for Less: Demonstrating Results and Maximizing Impact

We believe that if we are successful in delivering these two priorities, we will significantly increase GGGI’s global impact and make a unique and lasting contribution in greening growth.

Moving to Implementation: Integrated ‘ONE GGGI’ Service Offerings aligned with the GGGI Green Growth Value Chain

We will measure success by our green growth projects and programs attracting investment and achieving impact.

While this has been a core element of our strategic vision from the outset, there is a recognition that now is the time for GGGI to make concerted efforts to move to implementation, and to make the necessary conceptual and organizational shifts.

We have demonstrated success in supporting governments to develop national, sub-national, and sectoral green growth plans. In some countries, we have provided analysis of cost and public-private investment requirements for action plans and are beginning to see success in terms of public and private financing flows toward green growth. However, we must now reinforce our efforts to ensure that GGGI interventions are part of a pathway toward green growth and long-term risk reduction, taking into account accelerated globalization, advances in technology, and complex climate change challenges.

Realizing this requires a steady shift in GGGI’s delivery model toward an integrated “ONE GGGI,” which fully aligns service offerings from GGGI’s Green Growth Planning and Implementation (GGPI) Division, and Investment and Policy Solutions Division (IPSD), and the newly formed Office of Thought Leadership (TL).

These divisions will provide the required skills, experience and networks at key intervention points along GGGI’s Value Chain (see Figure 2, page 28) to enable a process of diagnosis, assessment, and planning which ultimately leads to project design and preparation, financing, and implementation.

Supporting partner countries in moving toward implementation will also require a continual effort in developing our internal skill sets and capacities.

Delivering More for Less: Demonstrating Results and Maximizing Impact

a. Focus on Member countries

We will focus our programming on Member countries, having demonstrated the political commitment to green growth and the interest in enabling GGGI’s success as “shareholders” of the organization. This will include support to mainstream green growth and climate change actions into their national development plans and to green their investments. A core element of our strategic approach will involve promoting and implementing greater knowledge sharing and country-to-country partnerships, together with targeted in-country programming.

We will focus on supporting green growth knowledge sharing and learning between Members through multi-country cooperation based on sound analytical foundations and a
focus on a search for solutions. Our Assembly and Global Green Growth Week provide a dedicated platform for multidirectional and multi-sectoral experience and knowledge sharing among Members. Moreover, the collective voice of the Assembly enables Members to shape and influence the global green growth agenda, and to drive this through GGGI.

GGGI’s in-country programming provides more specific engagement to support the transition to a model of green growth. Following a period of programmatic expansion, including in LDCs, GGGI will focus on consolidation of its in-country programs to demonstrate impact that can be replicated in partner countries, and from which lessons can be extracted and integrated into regional and global fora. New business models will be developed to ensure prioritization and cost-effective delivery of GGGI interventions. Country Planning Frameworks set the strategic direction for program development. The Council of GGGI, is responsible for approving and overseeing the Work Program and Budget, based on agreed criteria.

We will ensure that the expansion of GGGI’s Membership corresponds to increased resources and does not create demand for resources. Three broad guiding principles underline membership expansion, namely: Like mindedness and a commitment to green growth as key element in maintaining GGGI’s uniqueness among international organizations; Mutual benefit and a willingness and capacity to effectively contribute to GGGI’s knowledge sharing and governance processes; and global considerations to ensure balance in geography and income status of countries. We will ensure a clear value proposition exists for UN Member States and regional integration organizations committed to green growth to consider accession to GGGI.

b. Balance between Least Developed Countries (LDCs) and Middle Income Countries (MICs)

We view economic growth, poverty reduction, environmental sustainability, and social inclusion as mutually interdependent and that the simultaneous pursuit of these goals underlies the green growth model. GGGI’s country program portfolio reflects this interdependence while recognizing the need to work across both LDCs and MICs.

GGGI Members will be supported in reaching out to additional governments with a shared commitment in the pursuit of green growth. MICs also carry far more weight in the context of climate change mitigation which, ultimately has the greatest impact on the lives of the poorest and most vulnerable. MICs are responsible for approximately 50% of global CO2 emissions, whereas LICs account for roughly 0.7%.

At the same time, we perceive significant potential in working with LDCs and LMICs to prevent lock-in to a high emissions trajectory of economic development that does not take into account externalities for sustained economic growth. A New Climate Economy (NCE) report pointed to the World Bank’s analysis in highlighting the issue of emerging economies “stuck in an outdated mode of economic development”: of over 100 countries labelled as “middle-income” half a century ago, only 13 have since achieved high-income status.

c. Focus on Partnerships

Effective partnerships underpin all of our efforts to promote green growth nationally and globally. Effective partnerships underpin our efforts to support Member and partner countries in mainstreaming green growth and climate change actions. We will prioritize engagement with diverse international partners to leverage our experience and expertise, build on the strengths of others, and enhance synergies. Only through effective partnerships with international and regional organizations, private sector, academia, and making use of each other’s expertise, knowledge, and comparative advantages, can GGGI be at the forefront of green growth thinking and its interventions brought to scale.

In approaches to tackling poverty, we must consider that while two-thirds of the world’s extreme poor live in the 52 poorest countries, around 960 million poor people, or 72% of the world’s poor live in MICs, while 25% reside in Low Income Countries (LICs).

2. Based on those below $3500 per capita
5. NCE, The Global Commission on the Economy and Climate, is a major new international initiative to analyze and communicate the economic benefits and costs of acting on climate change. GGGI is a contributing research partner in the initiative.
We build capacity, share knowledge, and expand partnerships with academic and research centers with a view to tracking, sharing, and responding to megatrends and disruption that may open new avenues of programmatic interventions in the future. In working with academic institutions, we will mobilize academic knowledge and information resources to directly benefit stakeholders on the ground. We will develop capacities, stimulate inter-disciplinary research and disseminate GGGI knowledge and experience; and raise academic engagement in multi stakeholder processes and dialogues on green growth and climate change.

The Strategic Plan will be supplemented by a set of principles and guidelines for GGGI’s cooperation with the partners, enabling headquarters and country teams to forge partnerships, setting out the practical steps to be taken in implementing this Strategy. A risk management process will be put in place to review all potential partnerships, with special attention given to the assessment of mutual benefits of potential partnerships and to risks that could potentially affect GGGI’s reputation as an objective, mission-led partner for its Members.

d. Reducing non-programmatic costs
Over the course of the strategic planning period, GGGI aims to reduce the percentage of spending on non-programmatic activities from 44% in 2015 to 30% in 2020. We are streamlining our management structure, and have introduced a cost-efficient Enterprise Resource Planning (ERP) system. We will continue to ensure improved productivity through cost consolidation and cost saving efforts from travel, facilities, and communications.

Poverty Reduction and Green Growth
The poor are disproportionately affected by the impacts of climate change. The 2014 IPCC report on Impacts, Vulnerability and Adaptation shows that “people who are socially, economically, culturally, politically, institutionally or otherwise marginalized are especially vulnerable to climate change and to some adaptation and mitigation responses”. At the same time, unsustainable growth can threaten the effectiveness of poverty reduction and social inclusion, since the poorest communities are more economically dependent on environmental resources and services, and are least able to cope with the consequences of resource degradation. Insufficient social progress can also lead to political action that inhibits economic growth. These negative feedback loops can be mitigated and often reversed through an inclusive green growth approach, which simultaneously contributes to the SDGs.

Gender and Green Growth
Gender equality in inclusive green growth is contingent upon equal access for both women and men to key resources such as land, water, energy and finance. Inclusive green growth will require addressing the specific needs of women to claim their rights and create an enabling environment where women participate and benefit from green growth.
Cross-Cutting Priorities: Moving to Implementation and Delivering More for Less

10 million
Increased funding from core and earmarked sources

GGGI

50%
Amount of GGGI’s core resource for country programs that will go directly to Least Developed Countries

87%
Amount of GGGI’s core resources directed to Member Least Developed Countries and Middle Income Countries combined
17% Targeted percentage of spending on Management and Administration

30% Targeted percentage of spending on all non-programmatic activities

1 million Cost savings from its 2014 baseline due to GGGI-implemented efficiency measures

n 2020
Traffic Jam in Nepal, GGGI
We are committed to supporting partner countries in achieving maximum benefits from a green growth pathway and have designed our delivery model accordingly.

It is essential that national governments, in close cooperation with the private sector and civil society implement actions in support of a new global model of green economic growth.

At the same time, GGGI fully recognizes the need for progress in global debates around green growth and debates surrounding the international regulatory, financial, and policy environment. GGGI must also maintain that these respond to in-country needs and take into account varying national circumstances.

In this regard, GGGI’s delivery model is focused heavily toward in-country delivery while ensuring the existence of a firm feedback loop between in-country experience and analysis and global products and services.

Delivering in-country – Green Growth Planning and Implementation (GGPI)
GGPI leads in-country delivery, working jointly with IPSD. GGPI is GGGI’s key interface with partner governments, owning the in-country relationships.
GGGI is responding to our Members’ demands for consolidation, focusing on maximizing impact within a limited number of programs, and moving existing programs to implementation.

Through the 2015 -2020 Strategic Plan implementation period, GGGI will aim to increase its presence particularly in the least developed and lower middle income Member countries in line with the strategic priorities outlined above.

The GGPI division provides an in-country service aligned with our guiding principles of being objective, independent, and demand-driven. Focused on delivery, our GGPI services are long-term and embedded within partner government departments. In the absence of required skills, we will leverage them through national and international partnerships.

**Focused on delivery, our GGPI services are long-term and embedded within partner government departments.**

We will apply comprehensive country selection criteria before initiating a scoping phase. The selection criteria, amongst others, include countries’ alignment with GGGI’s mission, GGGI’s comparative advantage in relation to other players, and the overall potential for successful delivery of programs. We will conduct situation and stakeholder mapping and analysis, identify gaps, establish trust with in-country Government, negotiate, and sign an MoU with our main government counterparts.

Upon successful completion of the scoping phase and in preparation for the delivery phase, we offer a comprehensive set of services to the public sector based on our Value Chain. The GGGI Value Chain sets out a green growth planning and implementation approach from initial Diagnosis, Green Impact Assessment through Sector / Sub-Sector Strategy and Planning, and Project Design and Financing. Each component of the value chain is followed by a systematic appraisal process that captures learning, sharing, and application of experience and knowledge from programs, and ensures the robustness of GGGI advice and assistance.

**Our program interventions are therefore tailored entirely to the specific circumstances, demand and capacity of each country.**

In addition to preparation of bankable projects and mobilizing financing for green growth investments on the right hand side of the value chain, GGGI supports other types of implementation related to Strategy and planning on the left and middle of the value chain. While we consider the Value Chain to represent the most effective route toward a green economy, we recognize that partner countries will be at different points along this chain and will require different service packages within it. Transition from one component of the Value Chain to another will depend on actual in-country performance, as reflected in GGGI’s Country Planning Framework (CPF), and on-going country dialogues with government counterparts and partners.

GGGI works with in-country governments across Ministries and Departments as a trusted and neutral advisor to explore the value of green growth opportunities in the context of the country’s own growth and development goals. Our green growth planning work includes; providing sectoral and socio-economic impact assessments to experience, developing and applying practical tools and case studies; developing green growth plans at national or sectoral level; assessing and designing legal and institutional frameworks; providing financial and investment analysis that looks at both investment requirements and potential sources; and developing sectoral and sub-sectoral investment plans and frameworks.

**Optimizing Our Delivery Model**

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Upon successful completion of the scoping phase and in preparation for the delivery phase, we offer a comprehensive set of services to the public sector based on our Value Chain. The GGGI Value Chain sets out a green growth planning and implementation approach from initial Diagnosis, Green Impact Assessment through Sector / Sub-Sector Strategy and Planning, and Project Design and Financing. Each component of the value chain is followed by a systematic appraisal process that captures learning, sharing, and application of experience and knowledge from programs, and ensures the robustness of GGGI advice and assistance.

In addition to preparation of bankable projects and mobilizing financing for green growth investments on the right hand side of the value chain, GGGI supports other types of implementation related to Strategy and planning on the left and middle of the value chain. While we consider the Value Chain to represent the most effective route toward a green economy, we recognize that partner countries will be at different points along this chain and will require different service packages within it. Transition from one component of the Value Chain to another will depend on actual in-country performance, as reflected in GGGI’s Country Planning Framework (CPF), and on-going country dialogues with government counterparts and partners.

GGGI works with in-country governments across Ministries and Departments as a trusted and neutral advisor to explore the value of green growth opportunities in the context of the country’s own growth and development goals. Our green growth planning work includes; providing sectoral and socio-economic impact assessments to experience, developing and applying practical tools and case studies; developing green growth plans at national or sectoral level; assessing and designing legal and institutional frameworks; providing financial and investment analysis that looks at both investment requirements and potential sources; and developing sectoral and sub-sectoral investment plans and frameworks.

**Optimizing Our Delivery Model**

We will apply comprehensive country selection criteria before initiating a scoping phase. The selection criteria, amongst others, include countries’ alignment with GGGI’s mission, GGGI’s comparative advantage in relation to other players, and the overall potential for successful delivery of programs. We will conduct situation and stakeholder mapping and analysis, identify gaps, establish trust with in-country Government, negotiate, and sign an MoU with our main government counterparts.
GGGI in 2020

80
Number of green growth policies adopted by governments with GGGI’s support.

USD 600 million
Amount we aim to bring in new capital investment flowing into green growth opportunity in partner countries.

250
Flagship tools, methodologies, peer-reviewed research papers, and other knowledge products based on in-country experience that GGGI aims to have developed and published.

Helping developing countries access finance remains a foremost priority, especially after the ratification of the Paris Agreement where countries have committed to implement their lower carbon development targets, in addition to meeting their Sustainable Development Goals. According to the World Economic Forum and the OECD, the total amount of capital required for countries to achieve the 2-degree stabilization target is $93 trillion by 2050, which is about $6 trillion a year. Yet, a shortage of funds is not the problem. OECD institutional investors alone manage some $90 trillion in assets. However, only 1% of this amount is invested in green infrastructure. Public finance will not be sufficient to fill this need; for example, total development finance in Asia in 2015 was US$141 billion, compared to Asia’s actual needs of 1.7 trillion a year. Although more capital has been directed towards clean energy over the past few years, capital flows still remain limited and a large gap between projects and finance continues to exist.

There are three primary reasons for this gap. First, projects are often not bankable and they do not match the risk and reward appetite of investors. Second, instruments to mobilize green finance do not offer the required scale needed to attract finance. Third, developing countries routinely lack the institutional capacity to manage funds in line with the needs and expectations of international investors. These problems are not mutually exclusive; each is interrelated and manifested in different ways in different sectors.

GGGI is responding to this challenge by carefully following its value chain approach that begins on the ‘left-hand side’ with the introduction of green growth into national planning and then moves to the ‘right hand side’ towards project implementation and financing. GGGI’s Green Investment Services (GIS) support countries by developing bankable projects, national financing vehicles and risk reducing instruments to bridge the gap between finance and projects. GGGI’s Policy Services supports the development of policy instruments that create the type of policy framework required for investment to flow towards green growth.

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7. In 2016, Knowledge Services Division (KSD) was renamed to the Investment Policy Solutions Division (IPSD)
Green Investment Services (GIS) delivers its work by:

- Developing a pipeline of bankable green growth projects;
- Performing the role of an “arranger”, that is, designing and structuring commercially viable projects that attract appropriate finance, and getting them financed;
- Structuring financial solutions that blend public/concessional finance and commercial/private finance in order to reduce risk and consequently help position public and private parties with commercially viable project structures;
- Designing innovative financial mechanisms often in the form of funds and instruments that reduce and possibly mitigate risks and overcome other barriers specific to green growth;
- Establishing dedicated vehicles capable of blending international and domestic sources of capital for financing green growth;
- Prioritizing projects and instruments that are impactful and are catalytic, i.e. they mitigate risk sufficiently to pave the way for private investment in the sector;
- Integrating social and environmental considerations into projects, valuing and monetizing natural assets where possible, and
- Advising partner countries on the development of their investment plans.

Policy Services (PS) provides technical leadership by advising on policy and regulatory matters, recommending and guiding the development of new policies, and developing policy instruments that help leverage financing. The Policy Services department has four Global Leads who are responsible for managing the overall technical quality of GGGI’s delivery and ensuring alignment with the thematic strategies. Policy Services is also responsible for applying global knowledge and best practices, consolidating business models and keeping the organization abreast of technological changes that affect GGGI programs.

Policy Services delivers its work by:

- Advising on the overall policy framework in countries to make the system more amenable to green growth;
- Developing policy instruments that mitigate regulatory risk at the sector/thematic level and offer the much-needed certainty for investment finance to flow. Examples include power purchase agreements, incentives, regulations, standards, and so on;
- Providing guidelines for transparent procurement, tendering, and approval procedures across ministries where relevant;
- Creating innovative business models where none exist or are untested.

Building Intellectual and Innovation Capacity – Thought Leadership (TL)

The Office of Thought Leadership (TL) was established in 2017 to encompass knowledge and research functions linking GGGI’s programs to cutting-edge leadership in green growth. It is intended to improve the outcomes of GGGI programs on global, regional, and national levels by promoting a more robust, evidence-based understanding of green growth. In practice, this means making the business case for green growth more systematic, measurable, and predictable.

TL’s objectives include producing new rigorous policy research, analysis, and analytical tools and facilitating global and regional knowledge sharing that better link concepts to evidence, all of which ultimately feed into in-country service offerings and impact of green growth policy implementation and investments delivered on the ground and contribution to the strategic objectives of GGGI.

Activities under TL are intended to directly contribute to or complement operational projects and outputs, while simultaneously expanding and demonstrating GGGI’s leadership in international green growth understanding and dialogue. Policy research and analysis activities encompass enhancing the definition of green growth, analyzing Nationally Determined Contributions (NDCs) and advising countries in target setting and implementation, and promoting policy analysis and partnerships in green cities, sustainable transport, and clean energy. Knowledge sharing activities encompass strengthening and expanding GGGI’s work in climate diplomacy, data-driven green growth tools and methodologies, and international green growth knowledge platforms and databases.

In addition to these activities, TL continues to support in-country delivery through knowledge products and services that are based on the analysis and extraction of internal as well as external experiences, contextualization of best practices, and packaging of new knowledge, insights, innovations, data, tools, and methodologies.

Overall, TL’s initiatives include the following functions and activities:

- **Applied or policy research** to develop technical knowledge and making it readily available to operational teams and member countries;
• Dissemination of GGGI’s experience in the forms of lessons learned, best practice case studies, content for policy seminars, and publications by reflecting on and analyze experience gained on the ground together with operational teams and other GGGI divisions;

• Development of methodologies and tools such as the Green Growth Potential Assessment (GGPA), the Green Growth Performance Measurement (GGPM) tool, and thematic models for direct use in GGGI’s operational work as well as for sharing widely through global platforms such as the Green Growth Knowledge Platform (GGKP);

• Ongoing technical support to operational teams to contribute to GGPI and IPSD country outputs;

• Institutional partnerships for capacity building with academic, research, and policy institutions that aim to stimulate sustained learning and development of knowledge and experience on green growth;

• Climate diplomacy by delivering targeted advice, capacity building, and analysis to least developed countries aiming to achieve their international climate change commitments; and

• Knowledge sharing at global and regional levels, including continued operation of the GGKP and organizing regional forums to facilitate knowledge sharing and peer learning between countries.

Secondly, we will work closely with Members to ensure legitimacy, effectiveness, and credibility of in-country green growth experiences by incorporating them into the policy arenas of international and regional forums, such as the African Union (AU), the Association of Southeast Asian Nations (ASEAN), and the Organisation of Economic Cooperation and Development (OECD), and the Nordic Council.

Thirdly, we will continue our strategic partnership with the Green Climate Fund (GCF) formalized through an MOU and Framework Grant Agreement in April 2017. The strategic partnership between GGGI and the GCF will create synergy to efficiently translate national green growth plans into mitigation and adaptation projects. In the short term, GGGI will focus on capacity building and readiness support for developing countries to manage and implement climate change projects, while pursuing a stronger integration of both organizations’ activities in Member countries in the long term.

Lastly, we will leverage the convening authority of the President of the Assembly and Chair of the Council to engage at the highest political levels to generate tangible support for green growth action, both in Member countries and globally, particularly within the framework of the Paris Climate Change Agreement, Post-2015 Development Agenda, and Addis Ababa Action Agenda on Financing for Development.
Our Theory of Change

GGGI’s Theory of Change (ToC) reflects our organizational objective to support partner governments in pursuit of inclusive green growth, driving sustainable development outcomes.

GGGI’s six Strategic Outcomes capture key elements of a partner country’s transition toward a green growth model that achieves poverty reduction, social inclusion, environmental sustainability and economic growth. Our strategic outcomes are long-term and representative success measures of GGGI’s contribution to the green growth transition. A set of short-term Intermediate Outcomes capture GGGI’s success in creating the conditions for green growth.

To deliver our outcomes, we rely on partnerships and collaboration with diverse stakeholders as a key element of our ToC. GGGI’s demand-driven approach means that we are embedded in and work with our partner governments to realize green growth aligned to individual country’s development needs. In the process we involve wide range of key actors including private sector, multilateral development banks, development cooperation agencies, academia, and civil society.

GGGI’s Strategic Outcomes

Together, GGGI’s six Strategic Outcomes reflect key aspects of poverty reduction, social inclusion, environmental sustainability and economic growth. For feasibility of measurement and reporting, the set of strategic outcomes are not intended to be comprehensive, and have been identified with a focus on indicators that are simple, easily understood, and for which data can be obtained at country level and aggregated across countries. While intermediate outcomes are attributable to our activities, strategic outcomes are long-term targets that we will contribute to through our work in partner countries.

Strategic outcomes and related indicators are aligned to country NDC and relevant SDG targets, in terms of both content and timeframes. Country-level targets for strategic outcomes will be set based on existing targets and aspirations laid out in various country strategies and international commitments and through consultations with respective governments.

Country-specific impacts in Country Planning Frameworks and project logframes will align to the Strategic Outcomes to better define how GGGI will contribute to meeting individual partner countries’ NDC and SDG targets.

Strategic Outcome 1: GHG emission reduction
GHG emission reduction is key to meeting SDGs and is central to the realization of NDC commitments under the Paris Agreement. SDG 13 on climate action will ensure that long-term economic growth is sustained. Most economies need to undergo deep decarbonization of their economies to meet the two degree target set out in the Paris Agreement, requiring decoupling emissions from economic growth, urbanization and population increase. Deep decarbonization will involve moving away from a fossil fuel based to clean energy economy, using resources more efficiently, and reducing deforestation.

GGGI’s program activities in renewable energy, energy efficiency, green cities and land-use thematic areas significantly contribute to this outcome. Targets related this outcome will be based on GHG emission targets set out in partner countries’ NDCs and various national strategies.

Strategic Outcome 2: Creation of green jobs
Creating new economic opportunities and jobs for women and men is an important benefit of green economic growth. Green growth creates markets and jobs in environmental goods and services, and empirical evidence suggests that it is a net creator of green jobs. Evidence shows that this net gain could be even higher in the longer term. This outcome will contribute toward poverty reduction and address the important concern on employment, particularly among younger generation in many of the countries GGGI works in. This outcome takes into account gender-disaggregated green jobs in major job categories in our partner countries.

Program activities in all thematic areas will contribute to this outcome. The outcome serves as a pragmatic proxy for economic growth, gender equality and poverty reduction.

Strategic Outcome 3: Increased access to sustainable services
For green growth to be inclusive and transformative for ordinary citizens, access to sustainable services - particularly clean energy, improved sanitation, waste management, and public transportation - needs to be available to all. SDG 6 (clean water and sanitation), SDG 7 (clean affordable energy) and SDG 11 (sustainable cities and communities) all relate to increased access to services, particularly to those currently underserved.
Globally, approximately 1.1 billion people still lack access to clean and affordable energy, necessary to address major development challenges. More than 2.5 billion people also still lack access to clean sanitation, key to healthier populations, better water quality and disease prevention especially in cities. This affects gender equality as poor sanitation impacts women and girls disproportionately.

Similarly, more than half of the global population lack access to proper waste collection services, highlighting the importance of sustainable waste management. Access to safe and affordable public transport enables upward social mobility for the poor. It also contributes to minimizing air pollution and GHG reduction, and increase economic opportunities and urban resilience.

Targets against this outcome will therefore be based on gender-disaggregated population with access to these services:

- Access to clean affordable energy
- Access to improved sanitation
- Access to sustainable waste management
- Access to sustainable public transport

Strategic Outcome 4: Improved air quality

Air quality is a key indicator of environmental quality and green growth, and directly impacts the health and quality of life of citizens in our partner countries. Globally, outdoor air pollution alone is found to be cause of over 3 million premature deaths annually, and the figure could double by year 2050 with current growth pathways. Poor air quality impacts the poor and marginalized population disproportionately, and is linked to major development issues such as child mortality in numerous countries. Targets against this outcome will be based on days of improved air quality in major cities in our partner countries.

Green growth can minimize air pollution through investment in areas such as; cleaner forms of energy generation and transport, better management of traffic congestion, adoption of cleaner manufacturing, agricultural and construction practices, and clean cooking. GGGI’s program activities in the energy and green cities thematic areas could make significant contributions to this outcome. This outcome contributes to SDG 11.6 (reduce adverse per capita impact of environmental impact on cities).

Strategic Outcome 5: Adequate supply of ecosystem services ensured

Ecosystem degradation can impact economic growth, especially in local economies. It can cause negative impacts on human health and wellbeing, and could trigger irreversible damages to biodiversity that underpin important ecosystem services. Ecosystem services range from providing necessities such as food, clean water and clean air, to regulating climate, diseases, and flood. The global value of ecosystem services is estimated to be over 120 trillion USD per year in 2011 (greater than global GDP), with a decrease of around 4-20 trillion USD a year from 1997 to 2011. Ensuring an adequate supply of ecosystem services requires that degraded ecosystems be restored and loss of intact ecosystems be prevented. This outcome contributes to SDG 15 (protect and restore terrestrial ecosystems) and SDG 14 (for example mangroves and wetlands).

As a key supplier of a number of major terrestrial ecosystem services (and its close links to livelihoods, particularly for farmers and forest dependent communities, in many developing nations), forests will be used to serve as a pragmatic proxy for this outcome.

Strategic Outcome 6: Enhanced adaptation to climate change

Adaptation is an integral part of climate action as reflected in countries’ NDCs, and has a key role to play in resilient and sustained green growth. Unsustainable growth and climate change are posing adaptation challenges in the form of increased droughts, floods, land degradation, deforestation and sea level rise. These trends are likely to impact poorer communities, coastal areas and countries vulnerable to rising sea levels, such as the small island states. Globally, around 200 million people could be displaced due to climate change. Without effective adaptation, poorer communities and countries, with lesser resources to adapt could be pushed back into the poverty trap, undoing the development gains achieved past decades. Targets against outcome will be based on population supported to adopt climate-smart agricultural practices, to gain improved access to climate insurance, and to benefit from improved flood protection and management in GGGI partner countries. GGGI programs that support this outcome contribute to adaptation components in NDCs, and SDG2 (ensure sustainable food production), SDG11 (cities and human settlements with adaptation plans) and SDG13 (climate action).
Figure 3 indicates how the focus activities areas in our four priority thematic areas are linked to the strategic outcomes.

<table>
<thead>
<tr>
<th>Thematic area</th>
<th>Thematic focus areas</th>
<th>Indicative contribution to Strategic Outcomes (SO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable Energy</td>
<td>1. Expanded access to affordable and sustainable energy services</td>
<td><img src="1" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="0" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td></td>
<td>2. Improved sustainable energy generation mix</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="1" alt="SO2: Green jobs" /> <img src="0" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td></td>
<td>3. Enhancement and integration of energy efficiency</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<tr>
<td>Green cities</td>
<td>1. Mainstreaming green growth into urban planning &amp; management</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td></td>
<td>2. Resource efficient &amp; low-carbon cities</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td>3. Solid waste management: managing waste as resource</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td></td>
<td>4. Decentralized sanitation &amp; wastewater Solutions</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<tr>
<td></td>
<td>5. Sustainable transportation and mobility: connected &amp; healthy cities</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
</tr>
<tr>
<td>Sustainable landscapes</td>
<td>1. Reducing deforestation &amp; forest degradation</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td>2. Bio-economy innovations</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td>3. Financing ecosystem services</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
</tr>
<tr>
<td>Water &amp; Sanitation</td>
<td>1. Mainstreaming water resources management in green planning frameworks</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td></td>
<td>2. Decentralized sanitation and water quality investments</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td>3. Innovation through bio-economy, including climate resilient food systems</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
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<td>4. Payment for ecosystem services</td>
<td><img src="0" alt="SO1: GHG reduction" /> <img src="0" alt="SO2: Green jobs" /> <img src="1" alt="SO3: Access to services" /> <img src="0" alt="SO4: Air quality" /> <img src="0" alt="SO5: Ecosystem services" /> <img src="0" alt="SO6: Adaptation" /></td>
</tr>
</tbody>
</table>

Figure 3 Indicative contributions of thematic focus areas to Strategic Outcomes (SOs)
GGGI’s Major Activity Areas and Intermediate Outcomes: means to our Strategic Outcomes

GGGI will achieve its strategic outcomes through our three major activity areas:

• Mainstreaming green growth concepts in national, sub-national, and sectoral plans and policies;
• Supporting realization of green growth plans and policies through development and financial structuring of bankable projects, financial instruments and financing vehicles; and
• Improved multi-directional knowledge sharing and learning.

Intermediate Outcomes represent our success in advancing the above means toward achieving the strategic outcomes.

Intermediate Outcome 1: Strengthened national, sub-national, local green growth policy planning, financing, and institutional frameworks

GGGI recognizes that a transition to inclusive green growth must be driven through effective national planning. This in turn must be accompanied by effective financial and institutional frameworks in order to be translated into tangible and implementable actions on the ground. Without the necessary structure and capacity at national level we will not be able to leverage private sector involvement nor plan and implement green growth projects and programs at a scale which can bring about required transformational change.

To deliver on this, we will focus on achieving the following outputs in particular across four prioritized sectoral and thematic areas; Sustainable Energy, Green Cities, Sustainable Landscapes, and Water & Sanitation.

Demand-driven technical advisory, knowledge development, and private sector related solutions are offered on the ground for pro-poor green growth interventions. This necessitates a blended approach of GGGI’s in-country delivery supported by advisory by GGGI’s Thought Leadership and IPSD. Through bespoke engagements, we will combine high-quality technical analysis with in-depth country knowledge, multi-stakeholder engagement and systematic local capacity development.

Intermediate Outcome 2: Increased green investment flows

The efficacy of green growth planning will ultimately be measured by the extent to which it can attract public and private financing to realize green growth. This necessitates that green growth plans be eventually translated into bankable projects focusing on both mitigation and adaptation, that public and private sector investments are mobilized to finance them, and that projects are implemented as planned.

For climate action alone, estimates show significant financing needs, with mitigation action requiring approximately 350 billion USD per year during 2010-2029, and adaptation measures requiring 70-100 billion USD per year by 2050. This financing will have to be mobilized from multiple sources, including from public donors, partner governments, multilateral/regional development banks, and private investors. The following outputs will be pursued to enable investment flows to green growth projects.

1. Inclusive green growth plans, strategies and investment plans translated into implementable actions; and,
2. Creation of an enabling environment for public and private sector investment in green growth.

Our programmatic divisions will leverage the required skills, experience and networks to customize interventions in accordance to GGGI’s value chain. At the same time, our in-country teams will create domestic technical and institutional capacity, and ensure national ownership by working in full cooperation and collaboration with partner government counterparts.

We believe that, by demonstrating realization and benefits of inclusive green growth in partner countries, the credibility of the green growth model can be enhanced, and further transformation within and beyond our partner countries will be accelerated. Here we assume continued political will, that a greater number of viable green growth solutions will be available, and that donors will continue to support our mission in advancing green growth.
We will engage private sector, development banks, and government from the outset in the process of developing investment plans and frameworks, in order to establish conditions for the development of commercially viable projects. Our green investment advisory services will also offer support to create an enabling environment for green investment in partner countries. As project origination is typically a key barrier, processes leading to the origination of investment opportunities will be supported, including relevant pre-feasibility and feasibility studies. Where needed, countries’ ability to develop project pipelines and prioritize individual investments will be strengthened. We will also promote transparency and predictability in procurement, tendering and concessional approval processes to enhance attractiveness to private investors.

Here, the assumptions are that sufficient financing is available internationally and can be mobilized upon the development of attractive project proposals, with appropriate risk and reward profiles and an enabling policy and regulatory environment.

Intermediate Outcome 3: Improved multi-directional knowledge sharing and learning between countries on green growth
For the global green growth agenda to achieve optimal momentum, it requires high-level political buy-in to mainstream green growth into national and subnational planning. In this regard, sharing of success stories and best practices, development and dissemination of effective methodologies and tools, and filling key knowledge gaps around green growth, are key.

To do this, we will pursue and leverage partnership with a network of international and local green growth stakeholders in public sector, private sector, academia, and civil society. We will actively participate in relevant national, regional, and global platforms to advocate green growth and raise relevant ambitions. We will maximize opportunities for our Members, convened through the Assembly of GGGI, to actively participate in national, regional, and global platforms aimed at influencing bold thinking and raising ambition on green growth. We will also leverage the influence of our membership to reach out to partner countries that share in an inclusive green growth vision built upon national priorities. Knowledge sharing will be delivered in addition to in-country capacity development programs aimed at supporting partner government counterparts around their green growth policy, planning and financing needs. We will systematically collate and share our in-country green growth experiences. Here, we assume that we are well-positioned to influence, convince and convene key stakeholders.

Cross-cutting Intermediate Outcome: Maximizing value for money
A concerted effort to professionalize the organization underlies all GGGI outcomes and cuts across all programmatic and administrative areas. In order to deliver on the Strategic Plan 2015 – 2020, we will continue to maximize efficiency and cost-effectiveness, streamline management, and develop, attract, and retain staff with the necessary skills to deliver against a renewed emphasis on implementation and value for money.

Through these processes of change, we will, as a mission-led organization, support the development of evidence-based green growth plans, strategies and investment plans, the deployment of green financing and innovative solutions, the sharing of knowledge, and to ultimately demonstrate that green growth at scale is both feasible and desirable.

Through enhancing the capacity of Member and partner countries to implement and deliver inclusive green growth programs we will make significant progress toward our intended strategic impact - that countries move toward a model of green growth model which simultaneously tackles poverty reduction, social inclusion, environmental sustainability, and economic growth.
Our Theory of Change

**Outputs**

1. Demand-driven technical advisory, knowledge development, and private sector solutions offered on the ground for pro-poor green growth interventions
2. Inclusive green growth plans, strategies, and investment plans are converted into implementable actions
3. Support provided in creating enabling environment for public and private sector investment in green growth
4. Global institutional relationships, partnerships, and knowledge networks formed and leveraged
5. GGGI membership expanded
6. Professionalism of the organization ensured

**Given Assumptions**

- Donors continue to support the case for green growth. Political will exists or can be generated to pursue green growth strategies. Member states are willing to adopt technical advice and solutions in their decision making.
- The private sector is able and willing to mobilize the required level of investment if risk and market failures can be offset. Green growth interventions have the potential to generate a return for the private sector.
- Policy makers and decision makers in public and private sector demonstrate intentions to take up new concepts and knowledge on low carbon development pathways.
- GGGI is well positioned to convince, mobilize, and convene key players.
- GGGI Members are willing and have influence to support outreach to new member countries.
- Sufficient funding can be mobilized to support operations. Talent with relevant skills and experience can be recruited.

**Intermediate Outcomes**

1. Strengthened national, sub-national, local green growth planning, financing, and institutional frameworks
2. Increased green investment flows
3. Improved multi-directional knowledge sharing and learning between South-South and South-North-South countries on green growth
4. Improved multi-directional knowledge sharing and learning between South-South and South-North-South countries on green growth
5. GGGI membership expanded

**Process of Change**

1. GGGI partner countries transition towards green economic growth model
2. Increased green investment flows
3. Improved multi-directional knowledge sharing and learning between South-South and South-North-South countries on green growth
4. Better value for donor money

**Strategic Outcomes**

- SO1 Reduced GHG emission
- SO2 Creation of green jobs
- SO3 Increased access to sustainable services
- SO4 Improved air quality
- SO5 Adequate supply of ecosystem services ensured
- SO6 Enhanced adaptation to climate change

**Related SDGs**
Maximizing Impact through Four Thematic Priorities:

Our interventions emphasize change in four themes which we consider to be key to transforming countries’ economies. These are the thematic areas in which our Member countries have highlighted gaps and where we have demonstrated success. The thematic areas are:

- **Sustainable Energy**
- **Green Cities**
- **Sustainable Landscapes**
- **Water & Sanitation**
- **Multi-Sectoral**

While this does not limit GGGI’s interventions in other areas, we will continue to build on core skills and upgrade in-house capacity across these thematic priorities for change.
27 Member Countries
26 Country programs
Global commitment to combat climate change and achieve universal access to modern energy services is at the heart of GGGI’s Energy Strategy. The energy sector has a dominant role in transformation toward green growth, which is reflected in the Nationally Determined Contributions (NDCs) that involve 189 countries under the Paris Agreement. All the NDCs include actions related to energy and specific energy-focused targets. The SDGs recognize the role of the energy sector in poverty alleviation, improving health and wellbeing, employment creation and economic growth. SDG 7 explicitly targets sustainable and affordable access to reliable and modern energy for all.

GGGI’s work in the energy sector directly contributes to four of GGGI’s six Strategic Outcomes. Energy production and energy use account for around two-thirds of global greenhouse gas (GHG) emissions and is the largest single source of emissions. The energy sector is also a significant contributor to local air pollution; and countries’ transformation to green models in energy production, storage and delivery, enables capture of green jobs.

<table>
<thead>
<tr>
<th>Strategic Outcomes of GGGI</th>
<th>Energy Contributions</th>
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</thead>
<tbody>
<tr>
<td>1. GHG emissions reduction</td>
<td>Reduction in GHG emissions through transfer to renewable energy production and energy efficiency</td>
</tr>
<tr>
<td>2. Creation of green jobs</td>
<td>Green jobs from production of renewable technology components in partner countries</td>
</tr>
<tr>
<td>3. Increased access to green affordable energy</td>
<td>Expansion of access to energy by all through additional renewable energy production</td>
</tr>
<tr>
<td>4. Improved air quality</td>
<td>Reduction in particles per million through transfer from coal and fossil fuel to renewable clean energy production and energy efficiency</td>
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GGGI’s Energy Strategy explicitly recognizes that the NDCs and SDGs are at the core of combating climate change, air pollution and providing sustainable access to energy services through the following priority areas:

1. Expanded access to affordable and sustainable energy services;
2. Improved sustainable and renewable generation mix;
3. Enhancement and integration of energy efficiency.

GGGI conducts sectoral energy assessments to underpin the identification and development of investment projects in its partner countries. GGGI’s approach combines policy and regulatory work with project development to lay the foundations for scaling up investments in the strategic outcome areas.

**GGGI supports the transition toward sustainable and renewable energy sources and enhances energy efficiency to reduce GHG emissions (SO2), improve air quality (SO4), and contributes to increased energy access to sustainable services (SO3). Energy sector operations are of central importance to reducing GHG emissions, green growth, sustainable development, and to expanding access to the 20% of the**
The world’s population currently without access to energy. However, ensuring that the production and delivery of energy services contribute to these objectives also gives rise to challenges and opportunities in the transition to a new model of growth and green job creation.

Much remains to be done to reverse the energy sectors’ GHG emissions and impact on local air pollution considering that a significant share of the population still is without access to basic energy services. The International Energy Agency (IEA) estimates that, while global energy demand will grow by some 30% by 2040, hundreds of millions of people in developing countries will remain without basic energy services by 2040. GGGI’s energy operations will contribute to access to sustainable energy services for those unserved in tandem with supporting transition to green models for energy production and delivery.

Growing world energy demand is accompanied by a demand for transition toward cleaner and more efficient energy systems. This transition is underpinned by a global consensus to combat climate change that drive technology developments in renewable energy and storage solutions. Technology developments and lower energy production and distribution costs, particularly for solar and wind, combined with improved country policies and targets for renewable energy and energy efficiency stalled increase in global energy related CO₂ emissions in 2015.

Roughly half of the new generation capacity installed world-wide is renewable, and mandatory energy efficiency regulations have led to significant improvements over the last decade. However, continued and accelerated scale up of the transition is needed to ensure that GGGI’s partner countries can transform their energy sectors toward a more sustainable path, while meeting growing demands and a call for universal access to energy services.

The Government of Mozambique has requested GGGI to assist in policy and project development to promote sustainable electricity access for productive uses in rural areas and displace polluting fossil fuel generation.

In Mongolia, GGGI works directly with the energy regulator to support the development of a national energy conservation program that aims to reduce local air pollution and CO₂ emissions. This is complemented by a national financing vehicle to scale up investments in energy efficiency.

The transition in the energy sector gives rise to opportunities for the creation of green jobs (SO2). GGGI works across the private and public sectors to foster transformation towards a more sustainable and green energy sector that facilitates local opportunities for the creation of green jobs to ensure that GGGI’s partner countries capture benefits from global technology development beyond the specific energy sector outcomes. Green jobs also contribute to reduction of energy production and delivery costs and to the development of a sustainable energy sector. GGGI is in the process of developing and applying innovative approaches that support countries in the development of green jobs in the transformation of the energy sector.
Over half of today’s global population live in urban areas, with the world’s urban population forecast to account for two-thirds of global population by 2050. The implications of this phenomenon are significant. Many of the world’s cities are urbanizing in a largely unplanned manner, which has high negative externalities. These include poor air quality, unsustainable infrastructure that is not climate resilient, inadequate provisioning of basic services and a lack of social inclusion and opportunity. The importance of cities to national and global development has been increasingly recognized through a number of global commitments, notably SDG 11, which explicitly targets making cities and human settlements inclusive, safe, resilient and sustainable, and the New Urban Agenda of Habitat III, and in meeting the 2 degree target of the Paris Agreement. Cities have a vital role to play in transitioning from resource inefficient patterns of growth and increasing access to services, and in so doing, supporting the transition to green growth.

GGGI’s work in green cities, as reflected in its Thematic Strategy and priorities, contributes to each of GGGI’s six Strategic Outcomes. While accounting for nearly three-quarters of global economic output, cities consume 70% of global energy and produce between 60% and 80% of all global greenhouse gas emissions. Combined with worsening air quality, poorly planned urbanization is placing unmanageable pressure on access to services, ecosystem services and resilience to climate change. This threatens long-term economic sustainability and human health, while exacerbating socio-economic disparities. Greening cities also provides opportunities to create sustainable livelihoods through providing green jobs, reducing GHG emissions, and increasing access to sustainable infrastructure and services.

<table>
<thead>
<tr>
<th>Strategic Outcomes of GGGI</th>
<th>Green Cities Contributions</th>
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<tbody>
<tr>
<td>1. GHG emissions reduction</td>
<td>Reduction in GHG emissions through waste management, green buildings and cleaner transportation</td>
</tr>
<tr>
<td>2. Creation of green jobs</td>
<td>Pro-poor livelihood support and green job creation through provision of sustainable services</td>
</tr>
<tr>
<td>3. Increased access to electricity, improved sanitation, waste management services and public transportation</td>
<td>Expansion of access to sustainable services through policy development, project ideation</td>
</tr>
<tr>
<td>4. Improved air quality</td>
<td>Reduction in particles per million through cleaner transportation and green buildings</td>
</tr>
<tr>
<td>5. Adequate supply of ecosystems ensured Enhancing and protecting ecosystem services in urban areas</td>
<td>Enhancing and protecting ecosystem services in urban areas</td>
</tr>
<tr>
<td>6. Enhanced adaptation to climate change</td>
<td>Improved resilience of infrastructure</td>
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</table>
GGGI’s thematic approach to green cities supports an integrated and cross-sectoral approach and responds to local, national, and global needs and commitments, through its five priority areas, namely:

1. Mainstreaming green growth into urban planning and management;
2. Resource efficient and low carbon cities;
3. Solid waste management: managing waste as resource;
4. Decentralized sanitation and wastewater solutions;
5. Sustainable transportation and mobility: connected and healthy cities.

GGGI aims to address these gaps through responding to demand in policy development at the national and municipal level, with a focus on supporting secondary and emerging cities. To support the change that is needed for urban transformation, we link project ideation to finance and build capacity which both enhances understanding of green growth in relation to cities, but also acts as a platform for identifying innovative projects for implementation. In doing so, GGGI strives to realize pro-poor, smart and inclusive cities in which sustainable urban services and green jobs are created to address the unmet needs of under-serviced and urban poor communities.

Work on the cities theme is directly contributing to reduced GHG emissions (SO1) through its focus on waste management, specifically in supporting alternatives to landfills, and low-carbon building materials development.

GGGI’s efforts in managing urban waste through waste-to-resource strategies and valorization of waste systems in Lao PDR and Uganda aim to increase access to waste collection services and waste-to-resource technology for the urban residents in informal settlements. GGGI’s emphasis support landfill diversion, thus reducing harmful methane emissions. GGGI’s work with the Government of Mongolia to develop business cases for a low carbon and cost efficient public infrastructure through the PPP model, with aims to enhance resource efficiency and reduce GHG emissions.

GGGI’s work in cleaner fuels, public transportation and walkability aims to reduce dangerous concentrations of air pollutants and specifically links transport policy with air quality (SO4) and related positive health outcomes.

GGGI is working with Cambodia, Rwanda, Uganda, and Nepal on mainstreaming green growth concepts, and developing financeable projects, with a specific focus on secondary cities. Green Cities work acts to strengthen sub-national and local green growth planning, financing and institutional frameworks in support of improving green urban infrastructure and services for all.

Throughout its approach, GGGI focuses on pro-poor livelihood support and job creation in service provision (SO2).

In Lao PDR, Uganda and Morocco GGGI is working to valorize waste management systems which turn waste into a resource, and provide social benefits through its solutions. Innovative solutions which are financially sustainable, generate green jobs in support of waste-to-resource economies, and create healthier cities. In addressing unmet needs in sanitation in Senegal Green Cities is supporting the development of viable business practices with a focus on appropriate technology, valorization of sanitation services and job creation.

GGGI’s work to support Ecosystem based Adaptation (EbA) in urban planning, links to ecosystem services (SO5) and enhanced adaption to climate change (SO6).

In the Pacific, GGGI is looking at how urban areas can protect and enhance ecosystem services to provide for climate change resilience and adaptation with a focus on disaster resilient decentralized green infrastructure for the vulnerable urban communities.
The “landscape approach” is central to GGGI’s Sustainable Landscapes Strategy. It takes a holistic view at jurisdictional scale with an aim to sustain healthy forests, land and marine environments. Green growth interventions in sectors that rely on these landscapes must be developed in the context of strong interdependence among sectors within one connected geographic landscape.

Sustainable management of productive land and marine systems includes the protection and restoration of forests, peatlands, and fragile coastal and marine ecosystems. A landscape approach is important for both the mitigation and adaptation actions identified by countries in their NDCs. Work in the forest, agroforestry and agribusiness, bio-based industry and marine sectors contributes to climate action, SDG 13, and is fundamental to SDG 14 and 15, which aim to protect, restore and promote sustainable use of terrestrial and marine ecosystems. These sectors also support the achievement of several other SDGs, notably SDG 2, the goal of achieving food security and promoting sustainable agriculture.

GGGI’s Sustainable Landscapes Strategy directly contributes to five of GGGI’s six Strategic Outcomes. Agriculture, forestry and other land uses (AFOLU) represent 20-24% of the global greenhouse gas emissions, while 95% of the carbon in seagrass meadows is stored in soils. Peatlands and soils on land and waterbeds are important carbon sinks and reservoirs. Poor land and water use practices degrade the environment by contributing to local air, water and soil pollution and result in the loss of valuable ecosystem services. Forested, peatland and water-related ecosystem services underpin rural economies and are crucial to rural livelihoods, particularly marginal communities living in remote and forested and marine ecosystems.

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<tr>
<th>Strategic Outcomes of GGGI</th>
<th>Sustainable Landscapes Contributions</th>
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<tbody>
<tr>
<td>1. GHG emissions reduction</td>
<td>Increased protection of sinks and reservoirs of greenhouse gases through avoided deforestation and sustainable land and marine interventions</td>
</tr>
<tr>
<td>2. Creation of green jobs</td>
<td>Green jobs created through the bio-economy and sustainable land and marine interventions in partner countries</td>
</tr>
<tr>
<td>4. Improved air quality</td>
<td>Reduction in particles per million through removal of pollutants and reduction of emissions through protection and restoration of forest and peatlands.</td>
</tr>
<tr>
<td>5. Adequate supply of ecosystem services ensured</td>
<td>Improved health of ecosystems through sustainable land and marine management and market-based instruments integrating restoration &amp; biodiversity in business models</td>
</tr>
<tr>
<td>6. Enhanced adaptation to climate change</td>
<td>Adaptation to withstand climate variations through inclusive restoration and adaptive management which ensures ecosystem resilience</td>
</tr>
</tbody>
</table>

9. The geographic area over which (government) authority extends, i.e. province, region, district.  
10. A natural or artificial reservoir which accumulates carbon or with accumulated carbon stores for an indefinite period.
GGGI works with partner countries to design investment models that are integrated, systemic, and climate resilient at jurisdictional scale.

GGGI’s services in the Sustainable Landscapes Strategy focus on:
1. Reducing deforestation and forest degradation (REDD plus);
2. Bio-economy innovation;
3. Financing ecosystem services.

The Sustainable Landscapes Strategy aims to provide holistic financial and policy solutions at scale to reduce risks to investment in land and marine projects. Recognizing that governments are cash-constrained, and the investment risks continue to be high in these sectors, GGGI aims to shape well-designed projects that generate financial, social and natural capital returns. GGGI will develop risk reduction and return enhancing instruments to attract more private capital to green growth. Our partner governments play a key role in creating an enabling framework through the provision of suitable regulatory support.

GGGI will give special attention to designing business models that combine protection and restoration through cash-flow generating projects, given that such business models are scarce and relatively untested. The inclusive and gender-sensitive business models include both Micro, Small and Medium Enterprises (MSMEs), farmers, communities at one end, and mainstream markets at the other. The projects are backed by innovative technologies, good management practices, well-structured supply-side arrangements that reach farmers, women and communities, including those with no access to formal financial services and credit.

GGGI’s Sustainable Landscapes Strategy contributes to reduced GHG emissions (SO1) through reducing deforestation, and improved air quality (SO4) through protecting and restoring peatlands. Deforestation alters the carbon cycle through the loss of trees and disturbing forest soils, thereby releasing greenhouse gas emissions. GGGI’s landscape approach at jurisdictional scale is critical to preventing leakage of activities and market effects leading to deforestation and the related increase in emissions. Leakage occurs where protection in one area leads to deforestation activities in adjacent areas, or where a policy action in one location creates a market effect in the form of an indirect increase in prices and pressure on forests in another location. Protecting and restoring peatlands as carbon sinks and reservoirs through a landscape approach also avoids and mitigates the impacts of damaging fires, haze and air pollution. In Indonesia, GGGI’s work aims to reduce or avoid 400 million tons of CO2 emissions in forested landscapes and 200 million tons of CO2 emission on peat landscapes across 1 million hectares.

Innovations in the bio-economy and livelihoods in the development of sustainable landscapes give rise to opportunities for the creation of green jobs (SO2). The bio-economy promotes sustainable production of renewable resources from land, fisheries, and aquaculture and their conversion into food, feed, fiber, bio-based products that offer new financial opportunities and develop industries. These include advancing biotechnology and the discovery and commercialization of new products based on biological resources. Opportunities exist for medicinal industries, climate resilient agroforestry, and agri-business technological and digital innovations. The projects that foster such renewal and regeneration of resources are typically ones that produce and convert biological resources into useful products in the most resource-efficient way. In this context, GGGI supports government partners to create jobs and diversify local economies.

Developing market based solutions to finance good management of land and water ecosystems supports the supply of ecosystem services (SO5) and improves the resilience of populations relying on these services (SO6). GGGI supports government partners to develop instruments that can finance ecosystem services, including the enhancement of forest and soil carbon. GGGI aims to raise public and private capital to support sustainable landscapes and find market-based solutions. In Colombia, for instance, GGGI supported the design of a REDD plus financial instrument for more efficient use of natural resources and forest protection. Financing vehicles and Payments for Ecosystem Services (PES) are crucial instruments that de-risk investments in favor of landscape-wide business models. Recognizing the value of ecosystem services to the economy, conservation of high biodiversity areas, and the restoration of degraded landscapes are fundamental to the resilience of local livelihoods.
Water is central to green growth as it is fundamental to food production and sustaining ecosystem services, and vital for industrial production and energy generation. However, the value of water varies depending on its quality, quantity and use. Since water is perceived as a public good, it has been made available at subsidized prices, particularly in the case of water for ecosystem services, where its role is undervalued as there is no market price for it. Water is therefore often over-exploited and wasted, leading to negative impacts, including falling groundwater tables, drying up rivers and degraded ecosystems. These impacts are often permanent and have high economic costs. Green growth policies allow for limited water resources to be used more efficiently and enable access to all at a reasonable cost, while leaving sufficient quantities to sustain the environment.

SDG 6 expresses the goal of ensuring water availability for all and sustainable management of water, which includes the preservation of water-related ecosystems. The water-food-energy nexus means that SDG 6 on water, SDG 2 on Zero Hunger and SDG 7 on Affordable and Clean Energy are all interdependent.

GGGI’s work in the water and sanitation sector directly contributes to five of GGGI’s six Strategic Outcomes. The use of energy in water treatment and distribution, and the use of water in energy leads to a correlation between water demand and energy demand and the resulting GHG emissions. Water resources play a key role in sustaining ecosystem services. Therefore interventions such as water pricing can act as important economic instruments for improving water use efficiency and encouraging more responsible use, which can ensure water availability for sustained ecosystem services. Clean water access and water management are essential aspects of adaptation for many countries in their NDCs. New green projects in water and sanitation not only improve overall capacity in sustainable water management, but also create additional green jobs.

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<tr>
<th>Strategic Outcomes of GGGI</th>
<th>Water Contributions</th>
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<tbody>
<tr>
<td>1. GHG emissions reduction</td>
<td>Reduction in water demand decreases demand for energy in water treatment and distribution, and related GHG emissions</td>
</tr>
<tr>
<td>2. Creation of green jobs</td>
<td>Green jobs from water and sanitation projects and bio-economy innovations in partner countries</td>
</tr>
<tr>
<td>3. Increased access to improved sanitation</td>
<td>Expansion of access to improved sanitation through better management of resources and new infrastructure projects</td>
</tr>
<tr>
<td>5. Adequate supply of ecosystem services ensured</td>
<td>Water pricing and innovations in the bio-economy contribute to sustained ecosystem services</td>
</tr>
<tr>
<td>6. Enhanced adaptation to climate change</td>
<td>Improved management of water and sanitation protects access to water and related ecosystem services</td>
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The transition to a green growth model includes: the productive use of water as a driver of green growth; climate proofing agriculture and food systems; and the maintenance of water's key role in sustaining ecosystem services.

GGGI's service offerings in the water thematic area focus on:
1. Mainstreaming water resources management in green planning frameworks;
2. Decentralized sanitation and water quality investments;
3. Innovation through bio-economy, including climate resilient food systems;
4. Payment for ecosystem services (PES).

GGGI supports adaptation in the water sector through developing innovative solutions for ‘climate proofing’ agriculture and food systems (SO6).

The transition to a sustainable agriculture and food system is key to the green economy transformation. Climate smart agriculture refers to forms of agriculture and food systems that are climate resilient and low carbon, through reduced energy use, use of renewable energy, as well as reduced methane emissions from livestock and rice production. Food security is a key concern for several GGGI members in the MENA and Sub-Saharan Africa regions, where a critical opportunity exists to increase climate resilience and productivity while providing improved food security through agreed exports of food produced in Africa to the MENA region. Currently, the GGGI Water Team is looking at innovative approaches to manage water to increase productivity and enhance agricultural climate resilience. This could be through solar powered irrigation, whereby water and energy conservation is incentivized, or through developing index insurance programs that protect poor farmers for climatic shocks.

Water sector interventions incentivizing more resource efficient water consumption lead to reduced energy demand in water treatment and distribution and the related GHG emissions (SO1).

A large amount of energy is required to pump, treat and distribute water for urban, industrial and agricultural consumption and manage the resulting waste. Instruments, incentives or institutions that work towards limiting consumption of water, and conserving water lead to reduced energy use, by maximizing the water available.

New project pipelines and technologies introduced through GGGI’s work generate green job opportunities (SO2). Investing in water infrastructure, utilities, treatment facilities and efficiency and re-use projects will not only address the problems associated with urban and rural development create green jobs in a wide range of professions. Projects in rural, low income areas provide job opportunities for farmers and rural workers and improve their knowledge and capacity.
Over the next years, we will make concerted efforts to maximize organizational efficiency and cost-effectiveness. We will design our institutional structure to appropriately match our overall resource envelope, to deliver quality programs, and to ensure financial and legal integrity and accountability.

Managing for Results
GGGI will continue to build institutional capacity for improved Results Based Management (RBM) to meet its accountability and continuous improvement needs. RBM provides a coherent framework for managing projects throughout their lifecycle and ensuring goals at project and organizational levels are aligned.

Strategic planning and management based on learning RBM will be embedded across the organization through the articulation of SMART performance indicators, clear standards, minimum quality criteria for projects and strengthened quality assurance processes at all stages of our project cycle. Our monitoring systems will be designed to enable efficient collection and reporting of project results at both project and corporate levels. In addition, GGGI will establish and develop an evaluation function that can independently assess the extent to which intended impacts are being achieved.

To fully realize RBM, it will not be enough to simply measure results. It will also be important for GGGI to link results data to resource allocation decisions, so that limited funds can be mobilized in a timely and efficient manner to areas where potential or actual impact is higher. GGGI will pursue the necessary operational changes to enable this, including reforming its Work Program & Budget, project cycle management, financial and HR systems. Results frameworks will also be linked to staff performance management systems to enhance internal accountability and incentives for RBM.

Along with RBM, improved efficiency is key to GGGI’s ability to deliver value for money. Through the rollout and ongoing refinement of the Enterprise Resource Planning (ERP) system, we will increasingly automate functions relating to budgeting and finance, project management, procurement, HR and travel. The deployment of this IT platform will make business analytics more readily available, streamline administration, improve internal controls, increase productivity, reduce transaction costs and enhance integration between HQ and country offices.

Ensuring Sustainability and Safeguards
GGGI is committed to safeguarding the planet and people through avoidance, minimization, and mitigation of potentially adverse environmental and social impacts in our programs, projects, and operations. By applying our Sustainability and Safeguards Policy, our objective is to systematically identify and manage our environmental and social risks, and simultaneously look for opportunities that enhance social equity and promote environmental sustainability. As an organization that is committed to gender equality, we will ensure that gender is mainstreamed in all areas of our work.
Maximizing Institutional Effectiveness

Driving the Global Agenda
One of GGGI’s greatest assets is its membership. Our governing bodies bring together countries committed to pursuing green growth as an alternative development model and to sharing experience and knowledge to this end.

GGGI aims to create a level of debate amongst our Council and Assembly members to drive the theory and practice of green growth internationally.

Going forward, GGGI Council and Assembly meetings will facilitate substantive debate among Members, who are leading the way globally on green growth and who see GGGI as an effective vehicle for delivery of the green growth agenda. Council and Assembly members will also be encouraged to play an active role in influencing new membership and enhancing GGGI’s international visibility.

Investing in our Human Resources
Our lasting success will be predicated on our ability to attract and retain highly-skilled international staff.

We will need to ensure that we have an appropriate mix of skills and experience to meet the demands of our new direction and at the same time, ensure that we retain the flexibility to address changing priorities and demands over time. We will undertake strategic staffing exercises to identify future gaps in skills set against biennium operational plans. We will rationalize internal and external recruitment, redefine the role of senior management, consolidate and redeploy staff to amplify our capabilities, and achieve cost-effective allocation of in-house expertise across and within divisions. Throughout this strategic planning period, GGGI will aim to create an agile, mobile, and responsive workforce which maximizing knowledge, experience sharing across divisions, departments, programs and countries and builds synergies across our program portfolio.

We will invest in staff skills development to upgrade existing capacity and provide staff members with the opportunity to learn and grow. On-going training will be used as a key tool for retention. In the absence of in-house capacity, we will rely on our “roster of experts”. These experts are carefully chosen based on a rigorous procurement process and retained on a long-term basis to ensure continuity and commitment.

We will install new technology to ensure cost effective connectivity and collaboration among staff members, creating virtual knowledge communities. We will create a more demanding and favorable organizational environment whereby we will initiate a staff rotation scheme, short term staff swap program across our countries of operations, training and continuous professional development, apply corporate social responsibility principles in ensuring workforce diversity and gender balance, and a comprehensive talent management system.

We believe that having in-country presence with a client-oriented workforce is a key determining factor in effective engagement of country stakeholders.

Strengthening our Funding Model
We are funded by core and earmarked contributions, from Members and other resource partners, to deliver the Institute’s Strategic Plan and Work Program and Budget. At a country level, we will ensure that all projects and programs are aligned with the thematic strategies and Country Planning Frameworks that define our comparative advantage and, in the case of the latter, present agreed priorities for action between GGGI and the respective government. This will be supported by Corporate Results Framework (CRF) and performance management system against which results and value for money can be clearly demonstrated.

By 2020, we aim to achieve the goal of 30 million USD in core contributions and 20 million USD in earmarked contributions. This target represents a 25% increase from 2014 levels, to financing previous programmatic expansion in 2015 and 2016, and consolidation for the remainder of the Strategic Plan period. This target will be achieved by sustaining and strengthening engagement with current resource partners, diversifying our sources of funding, and building improved capacity to support business development both at headquarters and in our country offices.

We are mindful of the changing development finance landscape, including emerging economies and foundations, and a growing shift toward earmarked funding. We will integrate business development into our thematic strategies and Country Planning Frameworks, identifying clear opportunities to partner with both...
traditional and emerging resource partners upstream in our strategy and planning processes. Doing so will ensure business development is underpinned by strong technical knowledge and, in the case of country programming, those embedded within partner governments.

We will reconfigure our planning systems to provide full costing of projects, and aim to ensure that core contributions do not subsidize earmarked-funded activities.

**Anti-Corruption**

GGGI is committed to ensuring that the finite development funds entrusted to it are not misused. GGGI has established several institutional mechanisms to safeguard against corruption in its operations and activities. These anti-corruption and integrity efforts include:

- **An Anti-Corruption Policy** that affirms GGGI’s zero tolerance policy when credible evidence of fraud, corruption, coercion or collusion exists and our commitment to pursue all allegations falling under the scope of the Policy and that appropriate sanctions will be applied where the allegations are substantiated;

- **A Whistleblower Policy** that supports the zero tolerance principle of the Anti-Corruption Policy by encouraging the reporting of suspected integrity violations and establishing a process that creates an environment where staff and external persons are protected from retaliation when in good faith reporting suspected integrity violations and misconduct;

- **A Code of Conduct**, which applies to each staff and stresses the requirement to behave with integrity, which is defined to include *honesty, truthfulness, impartiality, reliability and incorruptibility*. Each staff member is required to sign a staff declaration that, among other things, (i) the staff has read and understood and agrees to comply with the Code of Conduct, (ii) neither the staff or family members have any interests that might result in apparent or actual conflict with obligations to GGGI and (iii) in procurement, recruitment or similar activities the staff will act impartially, objectively, and independently of any applicant or tenderer;

- **Learning and development and induction programs undertaken in person and through GGGI’s online Learning Management System that ensures that all GGGI staff are sensitized to the Anti-Corruption Policy, Whistleblower Policy and the Code of Conduct**;

- **A Compliance Review Mechanism** through which external parties that feel they have been adversely affected by GGGI noncompliance with its regulations, rules, policies and procedures can have such grievances addressed by GGGI;

- **Procurement Rules** and standard bidding documents that provide for sanctions against bidders found to have engaged in fraudulent, corrupt, coercive, collusive, obstructive practices; and

- **Periodic internal reviews of procurement actions to strengthen procurement monitoring and compliance.**

**Risk Management**

GGGI’s risk management framework is built on three core pillars: governance, policies and processes.

- **Governance** starts with the Council and its Management and Program Sub-Committee, which reviews and approves the Financial Regulations and Investment Guidelines that define GGGI’s risk appetite, and have responsibility to oversee GGGI-wide risk issues and its internal and external audit functions.

- **In line with the directives of the Council, GGGI maintains conservative financial management policies that seek to minimize liquidity risk, market risk, credit risk and operational risk. GGGI actively manages its financial resources to, among other things: (i) ensure the availability of sufficient cash flows to meet all financial commitments despite uncertain conditions in the timing of its funding and the capital markets; (ii) protect the principal value of GGGI’s liquid resources; (iii) reduce the risk of currency translation adjustments related to the currency composition of its resources; and (iv) deal only with counterparties of adequate credit quality.**
• GGGI has an operational risk management framework for the institution that is grounded in the establishment and maintenance of an organization-wide risk register that inventories the risk to which the organization is exposed, probability and impact, relative priority, mitigation measures to address the risk, and the internal owner(s) responsible for managing each risk.

Communicating for Change
We have received attention as a new international organization, in particular one that is dedicated to green growth and the first to be headquartered in the Republic of Korea. We have received high-level political endorsements from a number of countries and for our unique governance structure that brings together contributing countries, participating countries, and non-state actors.

Over the next 5 years, it is imperative that we communicate our successes, our tangible results, and impact on the ground.

A strong communications and outreach effort is key to bringing about transformational change toward green growth by consolidating and strengthening a focus on shared goals, priorities, and procedures. As such, we target three priority outcomes:

1. GGGI’s international profile will be enhanced; we will be recognized as the go-to organization for green growth globally.

2. GGGI donor and participating countries will be equipped with the necessary resources and knowledge of GGGI’s portfolio of work and operations.

3. GGGI staff will be provided with the resources necessary to share knowledge and experience across programs, locally and internationally, and to retain a comprehensive understanding of GGGI’s goals and mission.

Measuring our Success
We believe we can accelerate the transition to a new model of growth. Our green growth vision and strategic priorities will ensure cross-organizational coherence with our shared outcomes and guide our engagement with Member and partner countries.

In order to ensure that our organizational strategy is alive and sensitive to the evolving needs of in-country stakeholders, we will regularly review our structure and procedures to ensure efficiency and effectiveness. This will involve measuring our performance against our results framework.

We will assess progress on a regular basis to report back to our staff, members, and donors in order to evaluate how we can continually learn and improve on delivering toward our shared goals.
Follow our activities on Facebook and Twitter

www.gGGI.org
Annex 1: Anchoring GGGI results to impacts

In the mid-term revision of the GGGI Strategic Plan 2015-2020, GGGI has adopted six new Strategic Outcomes (SOs). This is a first step in anchoring GGGI’s results in strengthened green growth frameworks, increased investment flows and improved knowledge sharing, firmly to Agenda 2030 and to our partner countries’ national development and climate action goals. The six SO’s, their related indicators, and definitions have been incorporated into GGGI’s revised Corporate Results Framework (CRF), which follows in this Annex.

The next step on this journey is to describe and where possible provide quantitative measures on how GGGI programs contribute to national targets and aspirations defined in the indicators by GGGI partner countries for the SOs.

A. Dedicated Analysis to on National Targets and Baseline Data

Thus far, inputs have been collected from GGGI’s country programs to define an interim set of national level targets that GGGI aims to contribute to through its programmatic work. This exercise highlighted several challenges:

(i) **Country level data availability.** In many of GGGI’s partner countries, formal government endorsed targets and baseline data are not currently available for some of the SOs. Where such targets are not available, an initial effort has been made to develop GGGI ‘placeholder’ targets as estimates of the potential national level impacts. However, further analysis and the strengthening of the methodology for identification of the targets, is required to determine the relevant targets and baseline data for the SOs.

(ii) **Clarity of indicator definitions and methodologies.** For some of the SOs, such as green jobs and adaptation, further clarification is needed to arrive at commonly acknowledged definitions and scope for the indicators, and processes for setting baselines, targets and estimation of GGGI contributions. For consistency, this work should be done in conjunction with partners and should provide a common methodology across partner countries. The work will consider and build on existing analysis carried out in GGGI partner countries for certain SOs.

(iii) **Timeframe.** GGGI aims to set targets for the SO in line with the 2030 agenda and NDCs under the Paris Climate Agreement. This goes well beyond the horizon of the current Refreshed Strategic Plan 2020, GGGI’s biennium work program and budget, and the longer-term Country Planning Frameworks. Thus, credible milestones need to be developed to harness GGGI contributions.
B. Identification of Causal Linkages for GGGI Contributions to Strategic Objectives

Based on the initial exercise, it is apparent that a further dedicated analytical effort is necessary to develop a set of clear and credible targets for inclusion in GGGI's results framework. In addition, GGGI will establish clearly articulating causal linkages between its project output and outcomes and partners' targets, quantifying GGGI's impact where possible.

C. Road Map and Next Steps

GGGI will form a working group led by the Office of Thought Leadership, and comprising members from Strategy, Partnerships and Communications, and the Offices of the Assistant Director Generals in GGGI and IPSD. Over the next 12-months, the working group will work closely with country representatives, partner country authorities and utilize networks such as GGKP to ensure support and capacity building throughout the process, and to maintain strong engagement with country stakeholders. The target setting process will be integrated with the preparation of the 2019-2020 Work Program and Budget to ensure that this is aligned to the new SOs.

The primary objective of this work is to establish realistic targets that generate impacts relevant to Members and to support our partners in developing baselines and targets, in line with the definitions and methodologies, where they may not yet exist. This thorough exercise would contribute towards partner countries' roadmap to NDCs and work on localizing SDG targets and will also build internal capacity in Results Based Management.
GGGI REFRESHED STRATEGIC PLAN 2015-2020 ANNEX 1: REVISED CORPORATE RESULTS FRAMEWORK

### IMPACTS

**GGGI partner countries move towards a model of green growth that simultaneously achieves poverty reduction, social inclusion, environmental sustainability, and economic growth**

#### SO1 GHG emissions reduction

- **Baseline (2014)**: 22%
- **Target (annual): GGGI Annual Report outlining progress from baseline**

#### SO2 Creation of green jobs

- **Baseline (2014): 22%**
- **Target (2017): 33%**
- **Target (2015): 17%**

#### SO3 Access to affordable energy

- **Baseline (2014): 57%**
- **Target (2017): 64%**
- **Target (2015): 53%**

#### SO4 Improved air quality

- **Baseline (2014): 50%**
- **Target (2017): 62%**
- **Target (2015): 52%**

#### SO5 Improved access to sustainable water management

- **Baseline (2014): 38%**
- **Target (2017): 55%**
- **Target (2015): 46%**

#### SO6 Enhanced adaptation to climate change

- **Baseline (2014): 38%**
- **Target (2017): 55%**
- **Target (2015): 46%**

### OUTCOMES

**National, regional, and global demand for green growth, poverty reduction, social inclusion, environmental sustainability, poverty reduction and social inclusion**

#### STRENGTHENED NATIONAL, REGIONAL, AND GLOBAL DEMAND FOR GREEN GROWTH, POVERTY REDUCTION, SOCIAL INCLUSION, ENVIRONMENTAL SUSTAINABILITY, POVERTY REDUCTION AND SOCIAL INCLUSION

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<td>Enhanced adaptation to climate change</td>
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### OUTPUTS

**Global, national, regional, and local governments, partnerships, and knowledge networks formed and leveraged**

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<td>Number of capacity development activities</td>
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<td>Number of national, regional, and local partnerships, and knowledge networks</td>
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### IMPROVEMENTS IN THE MANAGEMENT OF THE ORGANIZATION

- **6.6% of core budget spent on management and support activities**

#### STRENGTHENED ORGANIZATIONAL CAPACITY, PARTNERSHIP, AND NETWORKS FORMED AND LEVERAGE

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<td>Proposed basis for setting targets: GGGI membership expanded</td>
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