



Sustain, Diversify, and Build:

GGGI Partnership and Resource
Mobilization Strategy (PRMS)



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Executive Summary

1. To realize GGGI's vision and long-term objectives, GGGI will need to achieve financial sustainability and improve its ability to mobilize resources. To this end, GGGI's Partnership and Resource Mobilization Strategy (PRMS) sets out three high-level objectives:
 - (i) Sustain and strengthen the partnerships with current and potential Resource Partners (RPs);
 - (ii) Diversify our sources of funding; and
 - (iii) Build improved capacity to mobilize resources.
2. There are five key principles underlying implementation of the PRMS:
 - Prioritizing the continuation of existing core funding is the cornerstone for resource mobilization efforts;
 - Developing targeted proposals for multi-donor earmarked funding;
 - Prioritizing multi-year contributions to enhance funding predictability;
 - Ensuring effective accountability and monitoring arrangements for resources mobilized; and
 - Establishing an enabling environment for a harmonized approach to resource mobilization.
3. Mobilizing resources from the private sector, multilateral banks, and other climate financing sources through grants, loans, and equity is beyond the scope of this strategy. A separate strategy is being formulated by Green Investment Advisory Services (GIAS) of GGGI to address these particular sources for project financing.
4. Ensuring sustained and predictable funding to the core budget remains the top priority for resource mobilization.
 - GGGI is expected to increase overall core funding by USD 15.5 million (from USD 25 million in 2014) between 2014 and 2015, as a result of new contributions from the UK, Indonesia, and Mexico.
 - The total resource mobilization target for core funding over 2015-2020 is USD 105 million.
5. While earmarked contributions may pose challenges to long-term strategic planning and may lead to fragmentation of mandates as earmarked donors' priorities compete with core organizational priorities, it remains an important budgetary source.
 - Given that non-core multilateral aid is on the rise, it will be equally important for GGGI to create innovative proposals to ensure earmarked funding of at least 30 to 35% of total resources.
 - This will help to maintain a strategic balance between core and earmarked funding as a percentage of total budget in order to (i) reduce the share of burden among the core resource partners, and (ii) diversify funding sources and mitigate risk.
6. Articulating GGGI's objectives against a results-oriented strategic framework, delivering measurable results that relate to the Sustainable Development Goals, and demonstrating value-for-money are critical to successful resource mobilization.
7. GGGI has considered six categories of RPs, each requiring different instruments and types of products/ services for mobilizing resources. These categories are: bilateral partners; multilateral banks; national and international climate investment funds; private sector; European Union; and foundations. GGGI will continue to encourage partner countries where GGGI operates to provide financial or in-kind contributions.
8. Key actions to achieve the 3-high-level objectives of the PRMS strategic framework include:
 - (i) **To Sustain and Strengthen:** GGGI aims to maintain and strengthen relationships with the current RPs, who have and are anticipated to continue to provide more than 60% of GGGI's core funding over the next five years.
 - GGGI's ODA eligibility status provides significant opportunities to tap on funding from donor nations who will continue to fulfill their UN ODA commitments. In light of the trend towards decentralized decision-making on resource allocation in 14 of the 29 DAC member countries, GGGI will target the top 5 donor countries (in terms of overall ODA volume and sectoral ODA contributors) in order to seek support for single or multiple projects. This will be aligned to the objectives of GGGI's Country Planning Frameworks

(i.e. country strategies) which are being rolled out at the country-level.

- GGGI will seek multi-year agreements with current partners and ensure that single-year agreements are an exception rather than the rule. Providing visibility and recognition to existing RPs by demonstrating GGGI's impact on the ground will be key.
- Assuming successful delivery of the actions outlined above, we aim to increase the number of RPs providing core funding from 5 to 8 by 2020.

(ii) To Diversify: GGGI aims to diversify by: adding new core partners and increasing the total value of earmarked funding.

- RPs (e.g. Germany and Switzerland) who are currently providing earmarked funding will be encouraged to become contributing Members of GGGI through deepening of relationship and demonstration of on-the-ground results.
- Middle Eastern partners and other non-traditional partners accounted for up to 5% of global ODA flows in the last ten years, reflecting their growing geopolitical importance in the global economy; they will be targeted as potential contributors
- GIAS will aim to identify and mobilize private financing and investments from multilateral banks and other climate financing sources.
- Assuming successful delivery of actions outlined above, at least 3 new core contributing Members will be added to the core funding portfolio including non-traditional contributing Members. This will reduce the share of burden among current contributing Members from 100% in 2014 to 64% by end of 2020. Earmarked funding will also represent 35% of GGGI's total funding.

(iii) To Build: GGGI aims to improve its internal capacity in resource mobilization by: aligning priorities and program delivery; improving internal

communication; delivering strong results; and communication of results to RPs.

- Building organization-wide capacity to support resource mobilization is key to ensuring the delivery of the PRMS and achieving long-term results. GGGI will ensure stronger coherence in resource mobilization efforts at both the corporate and country level by developing and implementing resource mobilization guidelines and procedures.
 - Assuming successful delivery of actions outlined above, all country representatives will be trained in resource mobilization by 2016.
9. GGGI's PRMS emphasizes the need to foster a sense of ownership and accountability for partnership development and resource mobilization. Delivering on the strategy is a shared responsibility among relevant departments within GGGI, the President of the Assembly, the Council Members, and the Director General. The coordinated efforts of all of these actors is key to successful resource mobilization. They have the unique responsibility of leading from the front and cultivating relationships with key decision makers and influencers in current and potential RPs.

Introduction

This Partnership and Resource Mobilization Strategy (PRMS) sets out how the Global Green Growth Institute (GGGI) can:

a) sustain and strengthen relationships with current and potential Resource Partners (RPs) and

b) raise and build the resources needed to fulfill its obligations towards GGGI's vision - *"A resilient world of strong, inclusive and sustainable growth"*.

The strategy is based on strengthening of GGGI staff capabilities for relationship management and resource mobilization toward external partners, delivered through improved internal organizational capacity of GGGI. Three high-level strategic objectives are envisaged:

- (i) to sustain and strengthen the partnerships with current and potential resource partners;
- (ii) to diversify the resource base; and
- (iii) to build improved capacity to mobilize resources.

This strategy builds upon the principles underlying the Biennium Planning Directions issued by the Director General of GGGI in September 2014, and the Work Program and Budget (WPB) 2015-16 and Strategic Plan 2015-2020, which signaled a major step forward in how GGGI plans and tracks its progress against objectives.

The strategy also builds on the momentum gained from organizational reforms since 2014 through:

- **Human resources management reform;**
- **Decentralization of functions and processes;**
- **Introduction of strategic planning processes at the country-level and project cycle management;**
- **Introduction of an Enterprise Resource Planning (ERP) to increase efficiency in program delivery.**

Objective and Targets

The Partnership and Resource Mobilization Strategy (PRMS) will instill a sense of ownership and accountability for partnership development and resource mobilization throughout the Institute in order to avoid piecemeal efforts. Two significant developments that have taken place towards the streamlining of resource mobilization efforts include:

- Merger of Strategy, Inter-governmental Relations and Resource Mobilization Units into a single unit - Strategy and Donor Relations (SDR);
- Establishment of a European Focal point in London with the presence of a donor relations specialist.

GGGI's primary goal for its partnership and resource mobilization strategy is to ensure stable and predictable revenue flow, particularly from bilateral sources. It establishes a vital link between external funding challenges and the continued internal improvements necessary to achieve funding objectives, many of which build on ongoing efforts.

The required activities to deliver these objectives have been structured into a series of preliminary action plans. These will form the basis of more comprehensive annual work-plans for relevant departments, providing coherence and vision over the next five years.

This strategy sets a Resource Mobilization (RM) target of 10 percent growth in GGGI's budget over the 2015-2020 period, which represents an appropriate minimum level of ambition.

Table 1: Resource Mobilization (RM) Target 2015-2020

	2015	2016	2017	2018	2019	2020	Total
Total Core Baseline 1 (projection based on current status of MoUs and medium to high confidence level of future MoUs with current Resource Partners)	40.50	35.50	30.50	25.50	25.50	25.50	183.00
Total Resource Requirement (budgetary growth-10%)	36.00	39.10	42.50	41.20	40.00	40.00	238.80
Potential Funding Gap (Base-scenario)	4.50	-3.60	-12.00	-15.70	-14.50	-14.50	-55.80
Additional Resource Mobilization Target for Core (through sustaining and strengthening relationships with existing Resource Partners)	5.00	5.00	10.00	15.00	15.00	15.00	65.00
Additional Resource Mobilization Target for Core (through deepening relationship and diversifying new Resource Partners)	0.00	0.00	5.00	10.00	10.00	15.00	40.00
Total Projected Budget	45.50	40.50	45.50	50.50	50.50	55.50	288.00
Total RM Target for Core	5.00	5.00	15.00	25.00	25.00	30.00	105.00
Total Earmarked (Base-scenario)	12.50	3.40	2.50	2.50	2.50	2.50	25.90
Total Additional Resource Requirement for 30% Share of Total Budget	13.65	12.15	13.65	15.15	15.15	16.65	86.40
Total additional Resource Requirement for 35% Share of Total Budget	15.93	14.18	15.93	17.68	17.68	19.43	100.80

Note: Budgetary growth including LDC expansion, is calculated at an average of 10% per year.

A core aspect of the strategy is that it perceives relations with Resource Partners¹, hereinafter referred to as “RPs” (or donors), beyond purely transactional terms; it strives for a lasting relationship with RPs as **partners**.

1. Resource Partners (RPs) are categorized as partners who contribute financially either through core or earmarked funding or a combination of both.

Setting the Context

The core or un-earmarked budget, provided without restrictions, and whose use is directly linked to GGGI's mandate and strategic plan, is the lifeblood of GGGI at present and likely to remain so in the foreseeable future.

It provides the highest flexibility for pooled funding and pays for ongoing commitments and obligations of GGGI in delivering in-country and global programs, and in providing management and administrative support. Ensuring sustained and predictable funding to the core budget is the top priority for resource mobilization. However, given non-core multilateral aid is on the rise with a steady increase of 8% of total ODA in 2007 to 12% in 2010², it would be equally important for GGGI to create innovative earmarking options for specific purposes, tied either to GGGI's four specific thematic or geographic areas of focus³.

Traditional RPs (or current RPs with the exception of Qatar) composing of Norway, Denmark, Australia, Republic of Korea (RoK) - OECD DAC members that were also members of the AdCom in 2009 - dominate total core contributions to GGGI's core budget. In 2014, 100% of all funding came from this group of countries compared to 80% in 2013 when USD 5 million contribution came from the non-traditional RP Qatar. This represents a typical pattern of multilateral funding led by a small number of traditional resource partners.

Between 2014 and 2015, GGGI is expected to increase overall core funding by USD 15.5 million - from USD 25 million in 2014 - as a result of new contributions from the UK, Indonesia and Mexico. The increase is a reflection of rising needs of, and renewed confidence in GGGI. If core funding from Mexico and Indonesia materialize, GGGI will already demonstrate progress towards lower dependency on traditional RPs.

While earmarked contributions pose a certain challenge to the imperatives of long-term strategic planning, sustainability and prioritization, and may lead to fragmentation of mandates as earmarked donors' priorities may trump organizational priorities, they

remain a significant budgetary source. In 2014 and 2015, earmarked funding represented an estimated 29% of GGGI's total budgetary envelope.

The major contributors for earmarked funding are Norway, UAE⁴, BMU, SDC and BMZ. With Norway funding agreements concluding in both Ethiopia and Indonesia country programs in 2015, as well as BMU in Thailand, Peru, and Jordan, the earmarked funding composition, without a funding renewal commitment from these two significant RPs, will drop to 10% out of total funding in 2016.

Both core and earmarked funding needs are based on detailed and rigorous budgeting. Within the priorities established under Biennium Planning Directions and Work Program and Budget (WPB), each division assesses its needs with projections based on an established set of cost drivers and resource ceilings.

In 2015 the total core budget has been set at USD 31 million (with inclusion of supplementary budget). This is expected to raise modestly by approximately 10% per annum, until 2019 when efficiency measures take effect.

Assuming all assumptions hold true (see assumptions under table 2 below), the funding gap will peak in 2018 with an estimated additional funding requirement of USD 15.7 million, and steadily decrease to USD 14.5 million in the last two years of the PRMS implementation.

Projected earmarked funding gap in countries vis-à-vis current arrangements are as follows:

- Since Thailand and Jordan country programs are fully dependent on earmarked funding from BMU, which ends in December 2015, this will leave a budgetary gap of approximately USD 1.6 million per annum compared to 2015 funding levels.
- Without timely renewal of the MoU with Norway, the Indonesia and Ethiopia country programs will also experience shortfalls of at least USD 5 million on average annually.
- With SDC funding ending in 2016, the only multi-country water thematic program of GGGI will have a funding gap of approximately USD 0.7 million annually.

2. In 2012 non-core resources accounted for two-thirds of total operational resources allocated for development and humanitarian assistance through the UN system.

3. Thematic focus areas in the GGGI Strategic Plan 2015-2020 include Green City, Energy, Land Use (including forestry and agriculture) and Water.

4. UAE, although a full member of the Council, provides USD 2.5 million on an average annually. The funding is restricted to Middle East and North Africa (MENA) region.

The aggregated exposure as a result of expiration of earmarked MoUs is approximately USD 7.3 million per year. This may put extra pressure on core funding. **The resource mobilization target, at a minimum, should be to raise at least USD 7.3 million on an annual basis for earmarked funding from 2016** to maintain the country operations in Thailand, Jordan, Indonesia, Ethiopia and the water thematic programs running, while continuing to maintain or increase the level of funding from UAE for the MENA region.

The average balance of earmarked budget (expressed as a percentage of total budget) in 2013 and 2014 was approximately 29% of the total budget. Increasing this to 35% of the total budget share would require the mobilization of an additional USD 17 million⁵ on average compared to the baseline (see table 1).

GGGI strongly advocates a **strategic balance between core and earmarked funding as a percentage of total budget in order to:**

- i. reduce the share of burden on core funding which supports the administration of all projects and the organization as a whole
- ii. diversify funding (and risk) sources

Table 2: Baseline Scenario

Total Core Baseline 1	2015	2016	2017	2018	2019	2020	Total
Total Core Baseline 1	40.50	35.50	30.50	25.50	25.50	25.50	183.00
A. Budgetary Growth	31.00	34.10	37.50	41.20	40.00	40.00	223.80
B. Reserve Requirement	5.00	5.00					
Total Resource Requirement (A+B)	36.00	39.10	37.50	41.20	40.00	40.00	233.80
Funding Gap	4.50	-3.60	-7.00	-15.70	-14.50	-14.50	-50.80
Total Earmarked	12.50	3.40	2.50	2.50	2.50	2.50	25.90
Earmarked share of total budget	26%	9%	5%	5%	5%	5%	

Note:

*Assumes USD 5 million will be accumulated per year up until 2016.

* Reserve of USD 5 million from end of 2014 is not reflected in this table

5. This includes resource mobilization targets as set forth in the Strategic Plan 2015-2020 for bankable projects, either directly channeled through GGGI or project developers. A separate strategy on this will be accomplished by the Green Investment Advisory Services (GIS) department.

Strategic Framework:

This strategy considers how GGGI will be able to deliver the expected resource mobilization targets, as illustrated in Table 1, and other requirements. It is based on three high-level strategic objectives. For the purposes of this strategy, high-level activities described are expected to increase in scope and quality over the next five-year period.

Pre-requisite for resource mobilization:

Articulate GGGI's objectives coherently against a results-oriented strategic framework

Achieve and validate measurable results with a Monitoring, Reporting, and Verification (MRV) approach demonstrating GGGI's relevance

Demonstrate value-for-money

1 Sustain and Strengthen

The first and most critical strategic objective is to maintain and strengthen relationships with the current RPs, who are expected to continue to provide more than 60% of GGGI's core funding over the next five years.

- There are, however, two possible exceptions to this. Current UK funding is being sourced from International Climate Fund (ICF) which will end its programming in 2016. The subsequent source of funding from the UK Government therefore remains uncertain. It will be necessary to not only sustain GGGI-UK bilateral relationships, but also strengthen it in order to be identify compatible sources of UK development funding.
- Qatar, which has yet to honor its commitment of USD 5 million contribution in 2014, would likely demand high visibility projects in Qatar and/or Middle East and North Africa (MENA) to sustain the Qatari Government's interest as a core contributing Member in GGGI. A number of initiatives are therefore envisaged in this context to improve the confidence of these partners and others with specific geographical visibility requirements such that GGGI can continue to sustainably deliver its mandate.

2

Diversify

Diversifying, interpreted as reducing the share of burden of existing partners, can be achieved by: adding new core partners and increasing the share of earmarked funding. Diversifying core resources will steadily ease the burden placed on current resource partners to provide the majority of core GGGI's funding, and indirectly GGGI's risk. In other words, ensuring that existing RPs still represent the majority of GGGI's funding while mitigating GGGI's dependency on these current RPs, would require GGGI to diversify and to increase funding from potential core partners, as well as earmarked funding.

- RPs, such as Germany and Switzerland, who are currently providing earmarked funding will be encouraged to become contributing Members of GGGI through deepening of relationship and demonstration of on-the-ground results.
- Middle Eastern partners and other non-traditional partners, who accounted for 1%-5% of global ODA flows in the last ten years and reflect growing geopolitical importance in the global economy, will also be targeted as potential contributors.

By diversifying the funding base, GGGI will be able to access additional funding to address potential gaps in its finances, while continuing to establish a growing and increasingly committed community for green growth.

3

Build

The above externally-focused objectives are dependent on the Institute's ability to improve internal organization and capacities toward resource mobilization. Some of these improvements are focused on enhancing management and coordination: through improved internal communication and alignment on priorities, strong delivery of results, and subsequent communications to the partners. All of the improvements will require the investment of additional time and may involve additional financial resources to build the capacity of teams by adding skillsets and capabilities; particularly in the areas of communications, partnership management and improved back-office capacity at HQ.

GGGI considers the following six categories of Resource Partners, each requiring different instruments and types of products/services for mobilizing resources. To date, GGGI's approach to accessing funding in multilateral banks and private sources has been opportunistic in nature, and has yet to maximize its full potential. This strategy focuses primarily on bilateral traditional and non-traditional resource partners. Knowledge Solutions Division (KSD), through its Green Investment Advisory Services (GIAS) department, is currently strengthening its divisional capacity through hiring of a wide range of competencies. The GIAS department targets the identification and mobilization of private financing and investments from multilateral banks and climate financing sources. In this regard, GIAS will deliver a coherent and sustainable five-year strategy that sets out the objectives, rationale and action plan in identifying the type of sources of income vis-à-vis private sector, other sources specific to climate financing, as well as multilateral financial institutions based on current assessments and future projections.

Table 3: Categorization of Resource Partners

Categories	Targeted Countries	Type of RM instruments	Time Frame	Type of Prioritized GGGI Products/ Services
1. Bi-laterals (both traditional and non-traditional, current and potential)	Current: Australia, Denmark, RoK, Norway, Qatar, UK, Indonesia, Mexico, UAE, Switzerland, Germany New: Japan, France, Netherlands, Belgium, Finland, Portugal, Italy, Poland, Slovakia, Hungary, Saudi Arabia, Kuwait.	Core, Earmark (global or in-country) (regional, thematic or combination)	<u>Existing Partners</u> Core: Short Term Earmark: Short Term to Medium Term <u>New Partners</u> Core: Medium Term Earmark: Short Term Vertical Fund: Medium Term	<ul style="list-style-type: none"> Country Programs GIAS Services, both global and in-country KS Services-both global and in-country (knowledge products, tri-lateral cooperation, South-South Cooperation and other Capacity Development Initiatives) Flagship Events
2. Multilateral Banks (Global and Regional)	African Development Bank, Asian Development Bank, European Investment Bank, Inter-American Development Bank	Earmark (global or in-country)	Earmark-Medium Term	<ul style="list-style-type: none"> Pipeline of bankable projects KS Services-both global and in-country (knowledge products, tri-lateral cooperation, South-South Cooperation and other Capacity Development Initiatives)
3. National and International Climate Investment Funds	Global Environment Fund, Green Climate Fund	Earmark/Accreditation (global or in-country)	Medium Term	<ul style="list-style-type: none"> Pipeline of bankable projects KS Services-both global and in-country (knowledge products, tri-lateral cooperation, South-South Cooperation and other Capacity Development Initiatives)
4. Private Sector	Members of World Business Council on Sustainable Development	Earmarked	Long Term	<ul style="list-style-type: none"> Pipeline of bankable projects
5. European Union		Core, earmarked (global or in-country)	Medium Term	<ul style="list-style-type: none"> Country Programs GIAS Services, both global and in-country
6. Foundations		Earmarked	Long Term	<ul style="list-style-type: none"> Services-both global and in-country (knowledge products, tri-lateral cooperation, South-South Cooperation and other Capacity Development Initiatives, in country programs)

There are over 200,000 foundations across the world that provide funding for development. A preliminary mapping of selected top global foundations has been conducted by GGGI. In forging new relationships with foundations, GGGI will:

1. Establish strategic partnerships with top global foundations, particularly with those whose missions or funding are more closely related to green growth.
2. Promote GGGI as a well-respected, neutral adviser, and trusted partner for project implementation.

As part of rolling out the PRMS, the above objectives will be further explored, and key foundations will be targeted both at global level as well as part of in-country resource mobilization efforts.

In addition, GGGI will continue to encourage participating countries, where GGGI has country programs, to provide cash or in-kind contributions. Counterpart contribution represents not only strong ownership from the participating countries but also an important source of resource mobilization. A methodology for quantifying in-kind contribution is currently being developed.

Five Guiding Principles

1

Continuity of funding is the first and foremost priority for GGGI's resource mobilization efforts.

2

Given the stagnation of core funding channeled via multilateral organizations, GGGI will introduce innovative multi-donor earmarking options.

3

Seek, whenever possible, multi-year contributions to enhance predictability of funding from current partners. Allow single year contributions, particularly from new partners, as long as they are aligned to GGGI's Strategic Plan.

4

All resources mobilized will be monitored and accounted for, to build trust and mutual accountability.

5

All partnership and resource mobilization efforts will be coordinated and harmonized organization-wide by establishing an internal enabling environment.

The strategic approach is further illustrated in the following section.

Strategic Objective 1

Sustain and strengthen partnerships with existing partners

Three of GGGI's current partners (Denmark, Norway and the UK) have been fulfilling the target of providing 0.7% of GNI of ODA as per the UN commitment (Gleneagles agreement)⁶. They are likely to sustain this level of ODA over the next five years. Having received ODA eligibility status in 2013, GGGI is among a select group of international organizations whose contributions from donor nations are recognized as ODA⁷. In light of the likelihood that these donor countries will continue to fulfill their UN ODA commitments, GGGI represents a strong partner to continue providing critical mass of core funding given that the Institute is (i) focused primarily on supporting developing countries particularly LDCs and Lower MICs, (ii) promoting a green growth model that emphasizes both economic growth and poverty reduction, and (iii) is a multilateral organization offering specialized technical base in green growth and economies of scale.

This unique approach, accompanied by an inclusive governance structure allowing for multi-stakeholder dialogue and outreach creates an enabling environment for the deepening of relationships with these RPs and beyond, who are already providing core contributions to GGGI.

GGGI expects long-term commitments from current RPs in order to effectively plan, program, and deliver its Work Program and Budget. Multi-year commitments on the part of RPs enhance predictability of resource flows to mandated programs and activities. Current RPs are also increasingly focusing on higher standards for transparency and clarity on GGGI's results framework, and improved monitoring and reporting. In addition, RPs expect GGGI to improve internal accountability, deliver results on time and on budget, and to demonstrate progress on increasing operating efficiency (i.e. Value for Money).

Assuming that sufficient progress can be made in these areas, the following activities aim to sustain and strengthen relationships with the current RPs. This is applicable for strategic objective 2 to diversify resources by adding new RPs.

10. Target country-specific multi-donor earmarked funding by establishing a strategic alignment between GGGI priorities and targeted RP priorities,

6. In 1970, 0.7% ODA/GNI target was first agreed and has been repeatedly re-endorsed at the highest level at international aid and development conferences. In 2005, the 15 countries that were members of the European Union by 2004 agreed to reach the target by 2015. The 0.7% target served as a reference for 2005 political commitments to increase ODA from the EU, the G8 (Gleneagles Summit and the UN World Summit). Only four countries in the OECD DAC list have fulfilled their obligations for ODA in 2013. These are UK, Norway, Denmark and Sweden.

7. OECD defines ODA as "flows of official financing administered with the promotion of the economic development and welfare of developing countries as the main objective".

particularly within the framework of internationally agreed goals (i.e. Sustainable Development Goals, Intended Nationally Determined Contributions or INDCs). **Given that decentralized decision-making models prevail in 14 of the 29 DAC members⁸ and the increasing trend among RPs to allow country offices to decide on resource allocation** (either to multilateral organizations and/or bilateral), GGGI will aim to leverage resources from multiple partner sources for single or multiple projects, aligned to the objectives of its Country Programming Framework (CPF)⁹. An initial ranking assessment has been conducted to identify top five donors by country in terms of overall volume of ODA provided, as well as top five sectoral ODA contributors (see Annex 2). Although this could be used initially to target RPs in specific GGGI operated countries, further country-specific criteria need to be developed, applied and approved that go beyond the volume of contributions to include the specific interests of potential partners, among others.

11. Implement a two pronged strategy of approaching a potential Resource Partner to maximize coherence- initially at the HQ level, followed by partnership between country offices of the concerned RP and GGGI country teams.

12. Broaden the constituency within GGGI's network of current RPs. This will require DG outreach efforts to focus on the donor country capitals for consultations and demonstration of results with key decision-makers, political constituencies and civil society organizations. Visibility, in the form of shared promotion and advocacy of common goals for green growth, provides benefits for both GGGI and its partners. This will help to deepen understanding of the identity and priorities of key decision-makers resulting in improved donor-related intelligence and resource mobilization strategies.

13. Seek multi-year agreements with current partners and ensure that the single-year agreement are exceptions (currently with Australia; Norway is also about to embark on single year agreement), not a rule.

14. Re-invigorate multilateral fora – such as Donor Consultative Group (DCG) meetings - in order to improve and promote understanding of the value of the GGGI's work, as well as identify new sources of financing amongst existing donor networks. Donor engagement is an iterative process.

15. Undertake pro-active marketing/communications emphasizing the value of partnering with GGGI, particularly demonstrating how GGGI is making transformational changes happen on the ground and advocate for “double digit” contributions from 2020.

16. Support development of specific communications material (e.g. brochures, posters, videos) for resource mobilization.

17. Provide visibility and recognition to existing RPs in all relevant communications materials.

18. Encourage current earmark funders to provide core resources through demonstration of results aligned to their respective strategic priorities.

19. Take advantage of events held in HQ and other locations to host parallel meetings to engage with current/potential partners.

20. Organize quarterly informal calls with current RPs to keep them informed, updated on the progress made in the implementation of the WPB/earmarked projects.

8. See 2012 report on multilateral aid, Paris, OECD, 2012

9. The Country Planning Framework (CPF) is the planning document of GGGI aimed at guiding in-country programming in alignment with the overarching Strategic Plan and Results Framework

Table 4 below reflects the RM target for Core funding in Core Baseline 2 compared to Baseline 1 scenario. It also targets earmarked funding of 30% of total budget.

Table 4. RM Target (Baseline 2)

Table 4: RM Target (Baseline 2)	2015	2016	2017	2018	2019	2020	Total
Total Core Baseline 2	45.5	40.5	40.5	40.5	40.5	40.5	248.0
RM Target for Core Compared to Baseline 1	5.0	5.0	10.0	15.0	15.0	15.0	65.0
A. Budgetary Growth	31.0	34.1	37.5	41.2	40.0	40.0	223.8
B. Reserve Requirement	5.0	5.0					
Total Resource Requirement (A+B)	36.0	39.1	37.5	41.2	40.0	40.0	233.8
Surplus/Deficit	9.5	1.4	3.0	-0.7	0.5	0.5	14.2
Total Earmarked Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Earmarked Required for 30% Share of the Total	13.65	12.15	12.15	12.15	12.15	12.15	74.40

Results

If undertaken successfully, the above actions will help GGGI achieve the following results.

1

Funding base diversified to include 8 core development partners instead of 5 by 2020;

2

Multi-year funding agreements will increase from 3 in 2015 to 5 by 2016;

3

Funding gaps will be significantly reduced compared to the baseline although a gap of USD 0.7 million will still remain in 2018 before a surplus is generated in both 2019 and 2020;

4

Earmarked funding will be increased to 30% of the overall GGGI budget, including: a. multi donor funding for projects at the country level and b. earmarked funding generated through bankable project proposals as well.

Strategic Objective 2

Diversify the resource base

Although the deepening of relationships will reduce the funding gap significantly, it will not be sufficient to fully address the gap of USD 0.7 million in 2018. In addition to deepening relationship as a mechanism to sustain and increase present level of funding, diversifying the resource base is also required. This will enable GGGI to address new and complementary sources of funding, reduce funding risks of depending on eight core RPs and bring together a broader constituency of support for green growth.

The margin of error in GGGI's effort in deepening relationships with current RPs to reduce the funding gap is very low which also represents one of GGGI's most pertinent risk areas in terms of resource mobilization. If funding from one core contributor (exclusive of Mexico) fails to materialize, this will automatically result in a deficit of USD 5 million, wiping out any surplus projected in table 4, placing GGGI in financial stress. This strategy is therefore based on the objective of mobilizing an additional USD 40 million by 2020 (with 36% of core funding derived outside of traditional RPs). To make this a reality, the strategy focuses on GGGI's outreach to relevant decision-makers in new partners, and to reinforce relationships already established with other partners.

Pre-requisite for resource mobilization: Building and sustaining the GGGI brand by providing partners with visibility, identity and attribution for the results

Most RPs allocate their funding decisions on their own assessments of the effectiveness of the organization's ability to serve RPs' policy priorities and interests, its results-based management system, prospects for policy dialogue with its executive management, the organization's strategic plans, accountability and transparency, and other related factors. Therefore, although the Biennium Work Program and Budget (WPB) may serve the interest of the existing RPs, in order to attract new ones, GGGI will have to customize the products and may have to develop new earmarked proposals (including proposals for bankable projects) to attract new partners compatible with their funding cycle.

Other considerations of partners in the provision of non-core contributions include: the need for visibility and attribution; pressures from parliaments, media and taxpayers in general for greater accountability; increased scrutiny of budgetary, audit and parliamentary authorities; and growing concern regarding value for money and results-based management of organizations and their expenditures.

ODA Trends:

Development aid rose in real terms in 2013, compared to 2012, to reach the highest level ever recorded. This is despite the fact that many traditional resource partners' economies are implementing austerity plans to reduce public spending, including international aid. Members of the OECD's DAC provided a total of USD 134.8 billion in net official development assistance (ODA), marking a rebound after two years of falling volumes, as a number of governments stepped up their spending on foreign aid. Non-DAC countries, including UAE, Kingdom of Saudi Arabia (Kingdom of Saudi Arabia's ODA is comparable to Netherlands, Norway and Sweden) and Kuwait have grown their contributions at a higher rate and collectively provided USD 11.2 billion worth of aid in 2012 (almost 10% of all aid in 2013 provided by OECD DAC countries, compared to 2.7% in 2008) (Source: OECD, 2014).

Total bilateral climate-related ODA commitments increased at a steady pace over the past decade and reached USD 21.9 billion in 2013, representing 17% of total bilateral ODA. Key economic infrastructure sectors - energy, transport and water - received over two-thirds of climate-related development finance. This is driven by large volume mitigation projects in the energy and transport sectors in general, and by large volume adaptation projects in the water sector, in particular within the bilateral portfolio. General environmental protection and agriculture sectors are also important, more so for adaptation and across the bilateral portfolio.

The high-level activities to support this strategic objective are (also relevant for strategic objective 1):

1. Providing potential Contributing Members with access to GGGI and its programs and operations without any pre-conditions to increase opportunities for engagement and build confidence. Abandoning the “pay-to-play” model so that a USD 5 million contribution is encouraged but not a pre-requisite obligation, which will enable potential donors to gain more intimate knowledge of GGGI.
2. Apply for Green Climate Fund (GCF) accreditation for further earmarked funding of up to USD 10 million. A preliminary assessment demonstrates that GGGI, as an International Organization, fulfills all six investment criteria to be a GCF accredited entity. Once accreditation status is approved, project proposal submissions from GGGI will ensure that they are fully aligned to GGGI’s medium term plan and consistent to Members’ needs.
3. Develop targeted action plans for prioritized RPs primarily for core funding and earmarked resource mobilization when it is a condition for non-restricted funding can be provided. GGGI will initially target 2 categories of RPs that are perceived as stronger resource mobilization opportunities. Table 5 is an analysis of RPs in relation to their net ODA contributions, across the multilateral system (for both core and earmarked), as well as their sectoral contributions that are most relevant for GGGI.

No	Donor
1	Japan
2	Germany
3	Korea
4	France
5	Netherlands
6	Belgium
7	Greece*
8	Finland
9	Australia
10	Norway

*Greece provides one of the highest level of funding (55% of its total ODA) through multilateral agencies (OECD, 2012). However, Greece is at the bottom 5 if total volume of aid and aid to GNI ratio is counted for 2013.

- a. Category 1: Club of 10 RPs selected on the basis of
 - i. Filter 1: Countries that provide more than 53% of their multilateral aid resources through core contribution (25% weighting)¹⁰
 - ii. Filter 2: Countries that provide more than 20% of their ODA on four thematic areas of GGGI (75% weightage)
 - iii. Based on the above, the following are the top 10 RPs (three are existing core RPs and one earmarked RP, leaving 6 as key targets for GGGI RM efforts). In addition, given high level interest from both Portugal and Italy¹¹ in GGGI, they are also recommended to be added to the category 1 list.
- b. Category 2: among the 12 New EU countries have demonstrated positive real changes (>3) in their ODA/GNI ratios. These are Poland and Slovakia (see table 5). Hungary has been added to the list as an additional country given recent interest shown by Hungarian government in becoming a member of GGGI. The SDR team, with the overall guidance from the DG and Head of SPC, will increase GGGI’s visibility to these RPs. This will entail: outreach to and engagement with embassies and representative offices; familiarizing them with GGGI’s fields of operations using stories of change; and DG’s repeated outreach in capitals and in Brussels with key decision-makers and political constituencies, followed by technical missions, where relevant.

It is essential to note that while this strategy provides an overview of the full list of potential RPs in the foreseeable future for planning and decision-making purposes, it would be unrealistic to target both the entire set of Category 1 and Category 2 of RPs, as well as ongoing efforts on continued funding, given the current level of internal capacity and resource level. Doing so may result in GGGI spreading its resource mobilization efforts too thinly, creating a situation of diminishing marginal returns as well as compromising on back-end servicing to existing RPs. To avoid this, it would be necessary to concentrate on a set of Category 1 RPs (no more than 3 at any given year, excluding existing RPs), as set by the GGGI Management Team, and the rest with an opportunistic approach, reacting quickly and flexibly with the opportunity arises

10. For this filter (share of core), the minimum threshold was 53%. Countries below this cut were given zero point when calculating weighted sum of filter 1 and 2.

11. Between 2008 and 2010, Italy channeled 74% of its ODA through multilateral system (OECD, 2012).

12. GGGI’s Establishment Agreement (EA) allows for maximum five members to be contributing members, which is already full. This could potentially be a barrier to attract new contributing members as they may expect to be part of the Council.

for resource mobilization engagement. With an increased flow of resource mobilization resources and capacity, both categories can be pursued aggressively in parallel.

4. The European Commission, which has provided 12% of the total global USD 134 billion ODA in 2013, will also be prioritized as a potential partner for core/ earmarked contributions. This would require GGGI's Governance Team to amend the Establishment Agreement (EA) of GGGI¹² and the approval of EC's members. For the latter, current GGGI European Member countries need to play an active role in promoting GGGI among EU countries.
5. Middle Eastern partners: Middle Eastern development partners accounted for between 1-5% of global ODA flows in the last ten years. The key to increased new contributions would appear to be the Kingdom of Saudi Arabia (KSA), which is the main donor in this group. In 2012, KSA provided more than USD 5.6 billion ODA, which is highest from an Middle Eastern RP. In addition, countries such as Kuwait which has

an active development agency in the Kuwait Fund for Arab Economic Development, as well as Oman, are keen to increase visibility in the sustainable development agenda.

6. Raise the visibility of GGGI toward potential partners and support partners in achieving the appropriate visibility in return. This will include design of communication and events that are relevant to potential and current partners and providing information to partners in support of advocacy for green growth on behalf of GGGI.
7. Map potential partners' interests¹³, identify areas that complement GGGI's comparative advantage, organize technical meetings, deliver presentations and foster individual contacts.

Role of Existing Resource Partners in Diversifying GGGI's Resource Base

Mobilizing resources is a responsibility that needs to be shared with the existing resource partners. European Member countries of GGGI can exert influence on potential new European resource partners by making GGGI more visible, communicating the results GGGI is delivering on the ground, and demonstrating the value-add of joining GGGI. Countries such as Norway, Denmark can reach out to their counterpart governments in other Scandinavia countries, while UK can promote GGGI amongst France and Belgium.

Table 6 below reflects the RM target for Core funding in Core Baseline 3 compared to Baseline 2 scenario. It also targets earmarked funding for 35% share of the total budget.

Table 6. RM Target (Baseline 3)

	2015	2016	2017	2018	2019	2020	Total
Total Core Baseline 3	45.5	40.5	45.5	50.5	50.5	55.5	288.0
RM Target Compared to Baseline 2	0.0	0.0	5.0	10.0	10.0	15.0	40.0
A. Budgetary Growth	31.0	34.1	37.5	41.2	40.0	40.0	223.8
B. Reserve Requirement	5.0	5.0					10.0
Total Resource Requirement (A+B)	36.0	39.1	37.5	41.2	40.0	40.0	233.8
Surplus/Deficit	9.5	1.4	8.0	9.3	10.5	15.5	54.2
Total Earmarked Base (30% of the share)	13.7	12.2	13.7	15.2	15.2	16.7	86.4
Total Earmarked Required for 35% Share	15.93	14.18	15.93	17.68	17.68	19.43	100.8

13. Partners mapping at the country level has already been completed.

Table 5: ODA Contributions through Multilateral System and Share of ODA by Sector

	Total ODA (Net Disbursement)			ODA to and through Multilateral system (2012)*					Share of ODA by Sector (2013)**										
	2013 (volume)	2012 (volume)	% Change 2012/2013	Core (volume)	Share of Core	Earmarked (volume)	Share of Earmarked	Core + Earmarked (100%, volume)	Economic Infrastructure & Services	Production sectors	Social Infrastructure & Services	Multisector / Cross-cutting***	Others	Energy	Agriculture & Forestry	Water supply & Sanitation	Transport & Storage	Other Multi-sector****	
1	Australia	5152.2	5402.7	-4.6	852.3	42.0%	1179.2	58.0%	2031	5.1%	5.8%	44.4%	22.0%	22.8%	0.3%	4.0%	4.2%	3.8%	19.1%
2	Austria	1113.2	1105.8	0.7	570.2	89.0%	70.1	11.0%	640	8.2%	13.3%	46.1%	6.5%	25.9%	4.3%	6.6%	5.1%	2.2%	4.8%
3	Belgium	2191.6	2314.9	-5.3	882.2	85.9%	145.1	14.1%	1027	3.0%	11.1%	31.3%	17.0%	37.5%	1.5%	9.9%	2.3%	0.5%	13.1%
4	Canada	5044.0	5650.3	-10.7	1597.9	49.0%	1664.1	51.0%	3,262	7.5%	15.7%	35.8%	8.4%	32.6%	3.2%	10.1%	1.1%	0.7%	7.7%
5	Czech Republic	207.9	219.6	-5.4	153.2	97.9%	3.3	2.1%	156	6.3%	9.2%	45.9%	1.9%	36.7%	5.4%	6.8%	8.9%	0.0%	0.2%
6	Denmark	2794.2	2692.6	3.8	777.9	69.8%	336.9	30.2%	1,115	12.8%	7.9%	35.9%	10.7%	32.7%	2.6%	6.6%	4.2%	0.7%	2.6%
7	Finland	1366.5	1319.7	3.6	521.0	68.9%	235.3	31.1%	756	7.4%	9.3%	34.1%	4.0%	45.1%	4.6%	5.1%	3.8%	0.0%	12.7%
8	France	10821.2	12028.3	-10	4150.3	97.2%	121.2	2.8%	4,271	21.6%	4.3%	31.3%	13.5%	29.3%	7.7%	7.6%	3.9%	12.7%	4.0%
9	Germany	13488.0	12939.5	4.2	4355.5	89.5%	512.9	10.5%	4,868	30.6%	5.0%	40.3%	12.6%	11.5%	14.9%	3.7%	7.6%	2.2%	11.0%
10	Greece	236.8	327.4	-27.7	220.1	99.9%	0.1	0.1%	220	0.2%	0.0%	27.0%	4.7%	68.1%	0.0%	0.0%	0.1%	0.1%	24.1%
11	Iceland	33.0	26.1	26.3	4.9	39.2%	7.6	60.8%	13	13.5%	22.1%	46.2%	2.6%	15.6%	12.9%	2.4%	3.3%	0.0%	2.6%
12	Ireland	816.2	808.4	1.0	272.2	68.7%	124.2	31.3%	396	0.7%	9.3%	47.7%	4.6%	37.7%	0.0%	8.9%	1.1%	0.0%	3.8%
13	Italy	3250.5	2737.1	18.8	2113.1	96.0%	89.1	4.0%	2,202	2.0%	8.4%	26.4%	5.9%	57.2%	0.7%	5.4%	1.1%	1.2%	2.3%
14	Japan	14235.0	10604.5	34.2	4202.3	75.5%	1362.3	24.5%	5,565	41.4%	6.3%	15.3%	5.9%	31.2%	9.9%	2.6%	7.4%	30.8%	4.8%
15	Korea	1685.1	1597.5	5.5	414.3	76.1%	129.8	23.9%	544	25.2%	6.4%	58.7%	3.3%	6.4%	7.1%	4.9%	16.3%	13.9%	2.0%
16	Luxembourg	402.6	399.0	0.9	122.4	68.7%	55.7	31.3%	178	8.6%	5.8%	44.7%	6.7%	34.2%	1.3%	9.3%	3.5%	0.0%	6.0%
17	Netherlands	5181.5	5522.8	-6.2	1665.3	68.2%	775.5	31.8%	2,441	6.3%	16.7%	35.7%	15.5%	25.7%	2.4%	11.0%	9.7%	0.2%	12.5%
18	New Zealand	440.7	449.1	-1.9	87.6	71.2%	35.4	28.8%	123	16.0%	10.0%	41.4%	3.0%	29.6%	3.9%	4.7%	2.1%	8.9%	2.5%
19	Norway	5534.2	4735.0	16.4	1230.3	53.7%	1061.9	46.3%	2,292	10.6%	16.6%	39.1%	8.2%	25.6%	7.1%	13.4%	0.8%	0.0%	5.1%
20	Poland	454.9	421.1	8.1	310	100.0%	0	0.0%	310	1.7%	0.9%	42.1%	0.7%	54.7%	0.8%	0.9%	0.7%	0.0%	0.4%
21	Portugal	466.4	580.8	-19.7	184	95.1%	9	4.9%	193	7.0%	0.2%	45.7%	1.9%	45.3%	6.4%	0.2%	0.1%	0.0%	1.6%
22	Slovak Republic	82.2	79.7	3.2	60.7	100.0%	0	0.0%	61	1.7%	5.9%	58.7%	3.0%	30.7%	1.0%	5.8%	0.1%	0.1%	1.4%
23	Slovenia	59.4	58.5	1.7	39.4	100.0%	0	0.0%	39	4.2%	0.8%	50.2%	7.0%	37.9%	2.5%	0.8%	3.8%	0.0%	1.0%
24	Spain	2281.1	2037.3	12.0	1051.9	89.3%	126.2	10.7%	1,178	1.8%	8.3%	33.5%	4.1%	52.3%	1.5%	6.1%	7.9%	0.1%	3.6%
25	Sweden	5564.7	5239.8	6.2	1602.2	60.3%	1053.6	39.7%	2,656	4.3%	8.7%	40.3%	7.1%	39.6%	0.9%	5.2%	4.9%	0.8%	3.6%
26	Switzerland	3159.9	3055.6	3.4	598.6	57.3%	445.5	42.7%	1,044	7.0%	7.4%	31.8%	11.6%	42.2%	0.8%	4.8%	8.0%	1.8%	8.6%
27	United Kingdom	17793.5	13891.4	28.1	5236.2	62.3%	3174.0	37.7%	8,410	10.4%	5.5%	47.3%	12.0%	24.8%	3.8%	2.5%	2.5%	3.4%	5.1%
28	United States	30424.3	30687.0	-0.9	5220.7	53.9%	4470.9	46.1%	9,692	7.6%	5.6%	49.5%	5.4%	32.0%	4.4%	4.0%	1.9%	1.0%	3.4%

Notes:

Constant 2012 USD Mil. otherwise shown

* Gross Disbursements

** Bilateral + Earmarked

*** Multisector/Crosscutting: General Environmental Protection + Other Multisector

**** Other Multisector: includes Urban Development and Management

Sources: OECD

Results

If undertaken successfully, the above actions will help GGGI achieve the following results.

1

At least three new core contributing Members will be added to the core funding portfolio including non-traditional contributing Members, which will reduce the burden of share among the current contributing Members from 100% in 2014 to 64% by 2020;

2

Funding base will diversify to include 11 core contributing Members by 2020;

3

Multi-year funding agreements will increase from 3 in 2015 to 7 by 2017;

4

Funding surplus of USD 10 million on an average will be generated from 2016 onwards (if budgetary growth remains as projected);

5

Earmarked funding will be maintained at 35% of the overall GGGI funding.

Strategic Objective 3

Build capacity

The external strategic objectives outlined above are dependent on GGGI continuing its process of reform, and in particular building capacity to support resource mobilization. This strategy is not limited to the Strategy and Donor Relations Unit - rather it depends on actors across the Institute, including lead role to be played by the Director General and President of the Council and the Assembly.

The high-level activities to support this strategic objective are:

1. Develop and implement a new resource mobilization guidelines and procedures for greater consistency in priorities, messaging and collaboration towards commonly-shared objectives. This will also avoid a situation whereby units “compete” with one another for resources.
2. Organize quarterly meetings between SDR team and country representatives to a. identify potential resource mobilization opportunity for country specific programs at the country, regional or global levels b. discuss their fitness to contribute to GGGI’s strategic objectives c. provide guidance in case of a suitable match between GGGI proposal and RP interest
3. Provide technical assistance, as and when required, to submit a full proposal after clearance from Management Team.
4. Develop training handbook and provide light touch training on proposal development, negotiation, and diplomatic skills.
5. Organize communities of practice or similar informal networks in which resource mobilization specialists can share their lessons learned and good practices.
6. Adopt and implement revised roles and responsibilities for resource mobilization to instill sense of ownership at all levels.
7. Check the feasibility of establishing a resource mobilization fund with an approximate budget of USD 70,000 to 100,000 to provide timely and flexible support to countries in proposal preparation with the help of consultants.

Results

If undertaken successfully, the above actions will help GGGI achieve the following results.

- 1 All Country Representatives will be trained on in-country resource mobilization by 2016;
- 2 Improved donor mapping with targeted action plans for in-country resource mobilization ready for at least 5 countries per year;
- 3 Number of in-country earmarked proposals increased on a yearly basis (baseline to be determined)
- 4 A resource mobilization technical assistance funding facility established by 2016.

Organizational Structure

Resource mobilization is not the sole responsibility of any one individual or one group within GGGI; rather, it is a shared responsibility in an environment of competing demands, and shrinking resources. The activities of the President of the Council and Assembly, the Council Members, and the Director General constitute an enabling environment for successful resource mobilization. They have the unique responsibility of leading from the front, reaching out to, and cultivating relationships with decision makers and influencers.

At the global level, the SDR team has the lead role in resource mobilization and will ensure that proper coordination and support are provided to other offices involved at headquarters and in the field. While Strategy and Donor Relations Unit in the HQ has overall responsibility for the systematic implementation of the resource mobilization strategy, the Senior Management (including Country Portfolio Directors) play a vital role in assisting the process by identifying and pursuing opportunities, developing and nurturing relationships when appropriate, demonstrating results on the ground, quality assuring proposals received from country offices or other units and vetting proposals.

Pre-requisite for resource mobilization:
Resources have to be spent in order to raise resources.

To improve organizational effectiveness in resource mobilization, two initiatives are planned:

- Implementing resource mobilization guidelines and procedures (see Annex 1)
- Quarterly meetings to ensure a better flow of information and decision making about projects and partners' requirements toward the country programs

The effective implementation of this plan will require the attention of groups outside of the SDR, in particular:

- The Director-General's office: support of the PRMS including outreach to RPs' capitals and explicit agreement on the terms of reference for the SDR team; provision of detailed briefing notes to SDR team; alerting SDR in advance on mission trips with list of stakeholders to be met.
- Focal point in London: support in building a broader constituency in GGGI's RP network and joint exploration of new RP relationships ensuring consistent communication with the SDR team
- Program divisions: collaboration with SDR in developing convincing "investment products" illustrating value for money.
- Country Programs: commitment to implementing and adequately supporting resource mobilization control processes.
- Finance department: improved clarity of actual and expected cost changes and project expenditure.
- Organization and Delivery Unit including Procurement: commitment to ensure donor funds are managed appropriately, including planning for adherence to donor requirements and international procurement practices.

Risks and Opportunities

Within the PRMS, risks in relation to securing adequate funding are considered. Conversely, opportunities exist to improve or reposition the Institute toward existing partners or to reach out to new partners.

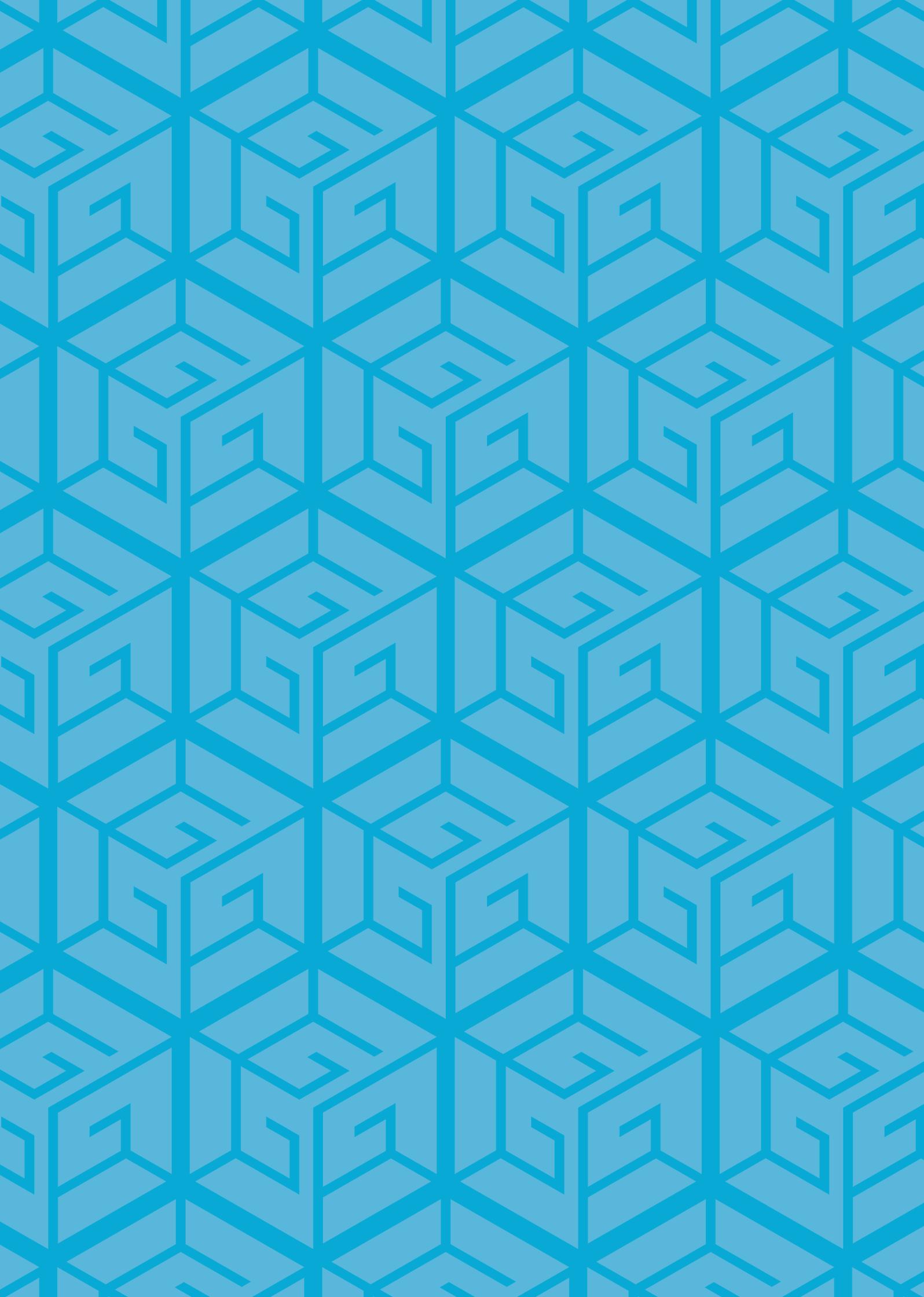
The following section lists a selection of opportunities to improve GGGI's ability to sustainably mobilize resources. Many opportunities have an element of risk: failing to answer to the opportunity in the right manner may leave GGGI worse off. Conversely, many of the risks identified in the following section could result in positive outcomes: if GGGI is able to provide adequate responses to some of the risks, the Institute could improve its position.

High-level opportunities

Opportunity	Assumption or requirement
Sustain and strengthen relationship with current RPs	<ul style="list-style-type: none"> Capacity within SPC and throughout GGGI to improve support and relationship management of donors Initiating a culture shift toward greater “partnership orientation” with donors and others A key requirement is an improvement in reporting timeliness and quality Agree compelling value proposals for GGGI and substantiate them with “stories of change”
Diversify funding base: increase contributions from new RPs	<ul style="list-style-type: none"> Prioritization and packaging of projects adapted to partners’ motivations
Diversify funding base: increase contributions from emerging markets	<ul style="list-style-type: none"> Capacity in GGGI to focus on building these relationships Partnership with traditional and non-traditional donors on building relationships with these countries
Better manage cross-organization interactions, roles and responsibilities to support resource mobilization	<ul style="list-style-type: none"> Improved internal communications, accountabilities and processes

High-level risks

Risk	Mitigation Actions
Global economic outlook severely degrades, and current RPs cut back their ODA much more than anticipated	<ul style="list-style-type: none"> Accelerate campaign to deepen relationships with current RPs Accelerate campaign to diversify the RP base
Increasingly sophisticated competition, especially from other UN Agencies and other IOs	<ul style="list-style-type: none"> Ensure that GGGI is able to maintain its relative positioning in communication, outreach to RPs and improve quality of reporting to satisfy RPs. Demonstrate GGGI’s relative “value for money”



Annex 1

Resource Mobilization (RM) Procedure Guideline for Earmarked Funding

1. Introduction

This is a preliminary guide¹⁴ aimed at providing HQ Divisions and Country Offices (COs) an indicative guideline when embarking on earmarked resource mobilization (RM) efforts. It highlights key messages and provides practical tips for reflection. The guide is relevant to wide range of GGGI staff members across divisions, units, teams.

In order to realize effective long-term GGGI funding goals, is imperative to ensure that there is no duplication of effort, in particular no conflict with strategic resource mobilization efforts planned at headquarter level vis-à-vis potential **earmarked** resource partners.

In the increasingly crowded space for development funds, there is significant potential for country teams to undertake analysis on potential and available in-country financing mechanisms that are in line with program objectives, and coordinate with headquarters on potential strategies.

While headquarters remain a central point of coordination and support for activities, RM is an organization-wide and collaborative effort.

The guideline is intended to:

- a. Establish a coordinated system and process for resource mobilization to maximize probability of securing multi-year (and in some cases single year) new earmarked funding
- b. Provide clarity on the support services provided by Strategy and Donor Relations (SDR) team of Strategy, Policy and Communications (SPC)
- c. Identify resource mobilization support needs

Resources in this guideline refers not only to funds, but also to human resources, goods and services. It is encouraged that the terminology “resource partners” that emphasizes the value of equal partnership between resource provider and program implementer, is used in place of “donor”.

2. Business Rules

All resource mobilization efforts ought to adhere to the following business rules:

- i. Primarily geared towards delivering the results of biennium Work Program and Budget (WPB). Resource partner-driven initiatives that are not aligned with GGGI objectives must be avoided;
- ii. Coordinated and harmonized organization-wide;
- iii. Comply with GGGI's operating framework;
- iv. Must avoid in-house competition for resources;
- v. Leads to comprehensive program delivery and broad impact.

3. Practical Steps for Implementation

Resource mobilization services:

As Strategy and Donor Relations (SDR) team of SPC is mandated with the coordination of organizational resource mobilization effort, SDR must be consulted in the review of all concept notes/proposals, in order to ensure adherence with GGGI's Strategic Plan and Work Program and Budget (WPB). They should be kept informed of formal engagement with external partners.

Program teams, under the supervision of the ADGs, will benefit from having a readymade portfolio of concept notes for earmarked funding. This will ensure GGGI can respond to opportunities quickly and efficiently.

4. Reminders

Remember to consider and check:

- a. Is there any pre-condition to be met before financing is provided (grant formats and guidelines, requirements for match funding, overheads ceiling)?
- b. What is the financing cycle of the resource partner?
- c. What is the calendar for submitting requests/call for proposals?
- d. What are the procedures for submitting proposals (specific or open formats)

14. This guideline will be pilot tested for three months from 1st of April, 2015 before revision, finalization and submission to the Council in June, 2015.

1. Identify → 2. Engage (Option 1- direct contact with the partners) → 3. Engage (Option-2- responding to call for proposals) → 4. Dive → 5. Negotiate				
Assess resource requirement	Check with SDR team for any engagement highlights regarding the identified target entity/principal	Respective Division Head to alert the Management Team (MT) on potential opportunity	Prepare a full proposal with technical assistance from SDR team	Clear MoU/ Agreement with Legal, Procurement, HR, Finance and SDR
Identify resource partners	Organize meeting(s) with potential partners at country/ HQ level	Assess resource requirement for preparing a full proposal	Submit full proposal with approval memo to the MT, after clearance from SDR	Initiate inception call with the partner, together with SDR team
Map resource partners interests	If interest is expressed by the partner, prepare a concept note	Prepare and submit a concept note after clearance from SDR		
Identify where a match can be established between GGGI's Strategic Plan, Country Planning Framework (where appropriate) and partners' priorities	Submit the concept note to the Management Team	Once concept note is approved by the MT, move to the next stage		
Discuss potential opportunity with respective division head and SDR team of SPC	Once concept note is approved, proceed to the next stage			
Deliverable: An action plan for further engagement is prepared with SDR	Deliverable: A concept note is prepared, cleared by SDR team and approved by the Management Team	Deliverable: A concept note is prepared and approved by the Management Team	Deliverable: A full proposal is prepared and approved by the Management Team	Deliverable: An agreement is signed

Note: Earmarked funding can only be considered to be included in the Work Program and Budget, if there is a signed agreement.

5. Roles and Responsibilities

- SDR is responsible for developing, monitoring and reporting on corporate-level partnership and resource mobilization strategy. SDR will coordinate corporate resource mobilization, while program divisions shall oversee proposal designs (with technical support from SDR, as and when required). SDR team will inform Governing bodies on all pipelined and signed earmarked contributions including trends.
- SDR will provide support by providing information to country teams and others on upcoming funding opportunities and assisting in leveraging funding for single projects from multiple partners.
- SDR will take the lead support role in mobilizing resources for GGP&I programs and others, while GIAS shall take the lead role in mobilizing resources

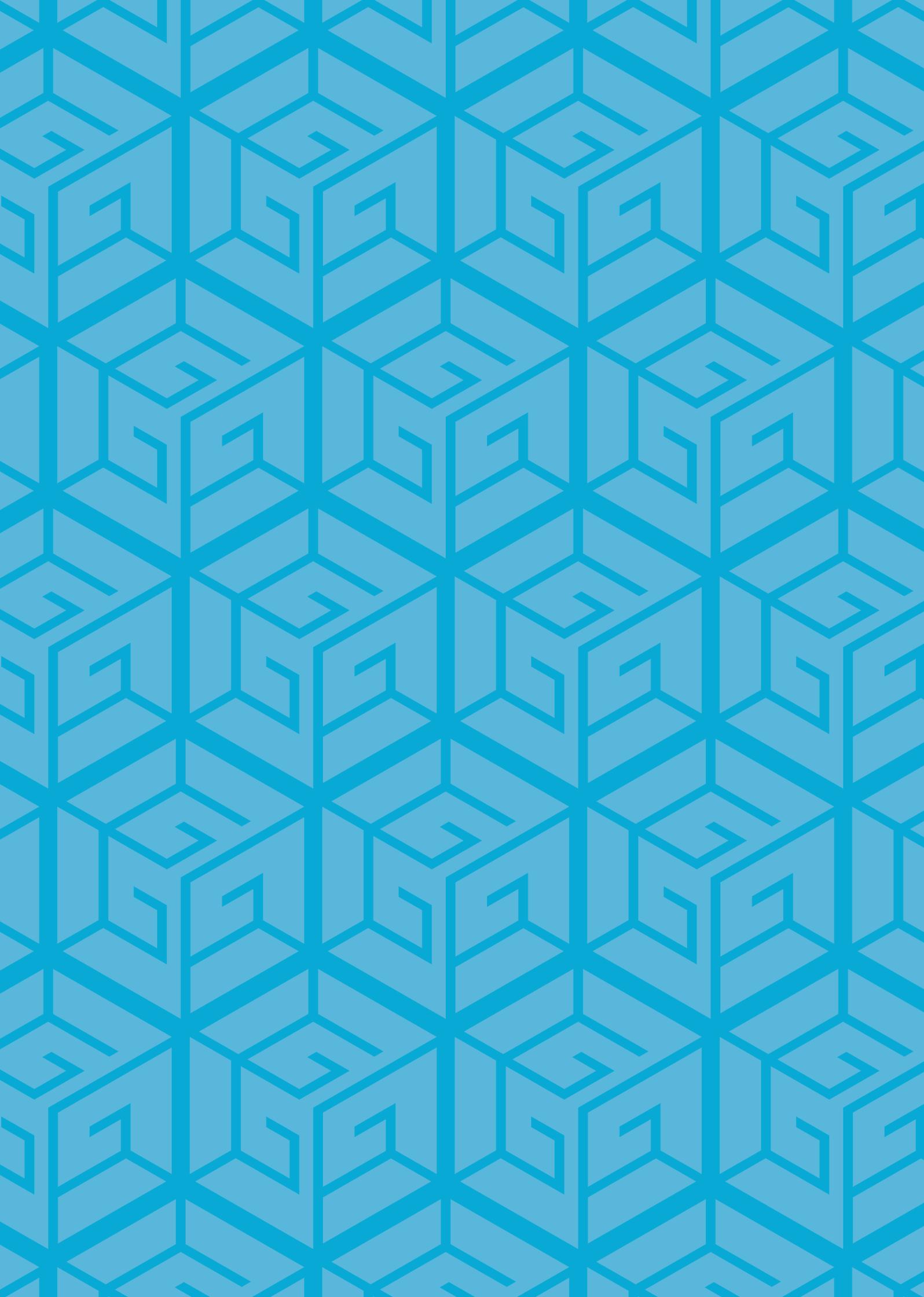
procurement, finance and HR units before the agreement is signed.

for

- bankable project development from climate finance, multilateral banks and private sector. The two shall closely coordinate.
- The Directors of GGP&I have a performance requirement to expand their portfolio, while GIS department has the responsibility to secure USD 30 million for bankable projects.
- The commitment to coordination from all Division Heads, Directors and Country Representative is called for to comply with these procedures.
- All proposals and funding agreements with any resource partner should be referred to the relevant HQ units. Clearance must be sought from legal,

6. Donor Relations Focal Points (current earmarked donors, new focal points for new partners will be nominated on a case by case basis)

Type of Funding	Current and Pipelined Contributors	Donor Relations Primary Focal Point	Donor Relations Secondary Focal Point
Core	UK, Norway, Denmark, Australia, Qatar, RoK	SDR	SDR
Core	Indonesia, Mexico	SDR	Indonesia and Mexico Country Offices
Earmarked (GGP&I-multi-country)	SDC, BMU	Office of the ADG (GGP&I)	SDR
Earmarked (GGP&I-single country)	Indonesia, Ethiopia	Indonesia and Ethiopia Country Offices	SDR
Earmarked (KSD)	KOICA	KS Department Head	SDR
Earmarked (KSD)	BMZ	Office of the ADG (KSD)	SDR



Annex 2

Top 5 Resource Partners by Recipient Countries (where GGGI have operations) and by Sectors

Countries of GGGI operation		Top 5 Bilateral Donors (including EU)					
		BY TOTAL VOLUME ¹	BY SECTOR ²				
			Economic Infrastructure incl. Energy, Transport	Production incl. Agriculture, Forestry	Multi-Sector incl. Urban Development	Social Infrastructure incl. Water supply & sanitation	
1	Rwanda	1	US	EU	UK	Sweden	UK
		2	UK	Japan	US	Netherlands	US
		3	EU	Netherlands	Belgium	UK, US	Belgium
		4	Belgium	UK	EU	Germany	Germany
		5	Netherlands	US	Netherlands	Korea	EU
2	Cambodia	1	Japan	Japan	Japan	US	Japan
		2	Australia	Korea	Australia	Australia, Germany	US
		3	US	Norway	EU	Japan	Australia
		4	Korea	Australia, Germany	US	Canada, France, Sweden	Sweden
		5	Germany		Korea		Korea
3	Vanuatu	1	Australia	Australia	Australia	Australia	Australia
		2	New Zealand	New Zealand	EU	France, New Zealand	New Zealand, Japan
		3	Japan	Japan	New Zealand, Japan	Japan, EU	EU, US
		4	EU		France		
		5	France				
4	Ethiopia	1	US	Japan	Canada	UK	US
		2	UK	France	US	Germany	UK
		3	EU	Korea	Norway	US	Canada, Japan
		4	Japan	Canada, UK, US	Japan	Denmark	Netherlands
		5	Canada		Netherlands	Netherlands	
5	Fiji	1	Australia	Japan	EU	Australia	Australia
		2	Japan	Australia	Australia	Japan	EU
		3	EU		Japan	New Zealand	Japan
		4	New Zealand		Germany, Korea	EU, Germany, US	New Zealand
		5	US				Germany, US
6	Mongolia	1	Japan	Japan	Japan	Australia	US
		2	US	US	Australia, Korea, Switzerland	Germany	Japan
		3	Germany	Germany	Germany, US	Korea, Switzerland, US	Korea
		4	Korea	Korea			Germany
		5	Switzerland	Czech Republic			Switzerland

Countries of GGGI operation		Top 5 Bilateral Donors (including EU)					
		BY TOTAL VOLUME ¹	BY SECTOR ²				
			Economic Infrastructure incl. Energy, Transport	Production incl. Agriculture, Forestry	Multi-Sector incl. Urban Development	Social Infrastructure incl. Water supply & sanitation	
7	Philippines	1	Japan	Japan	Japan	Japan	US
		2	US	US	Korea	Australia	Australia
		3	Australia	Korea, Australia	Italy	US	Japan
		4	Germany	Canada, Germany	Canada	Germany	Germany
		5	Canada		EU	Switzerland	EU
8	Vietnam	1	Japan	Japan	Japan	Japan	Japan
		2	Korea	Korea	France	Australia	France
		3	France	France	Canada	France	Germany
		4	Australia	Germany	Australia	US	US
		5	Germany	Australia	Germany, EU	Germany	Korea
9	Indonesia	1	Japan	Japan	Japan	Australia	Australia
		2	Australia	Germany	Australia	Japan	US
		3	US	Australia	Norway	US	Japan
		4	Germany	US	Germany	France	Germany
		5	EU	UK	Korea	UK	EU
10	Mexico	1	US	France	Germany	France	US
		2	France	Germany	Japan	US	Germany
		3	Germany	US	UK	Germany	France
		4	Japan	Japan, EU, UK	EU, France, Norway, Spain, US	Japan	EU, UK
		5	EU			Australia, Canada	
11	Jordan	1	US	France	US	France, US	US
		2	UAE	EU	EU, Japan	EU	EU
		3	EU	US	Italy, Spain	Germany	Germany
		4	France	Spain		Japan	Canada
		5	Japan	Canada, Germany, Japan, UK		Switzerland	Korea, UK
12	UAE ³⁾	1					
		2					
		3					
		4					
		5					
13	India	1	Japan	Japan	Japan	UK	Japan
		2	Germany	Germany	Germany	France	Germany
		3	UK	UK	UK	Germany	UK
		4	EU	France	US	Japan	France
		5	US	EU	Australia	Norway	EU
14	Morocco	1	France	EU	US	France	EU
		2	EU	France	EU	US	France
		3	US	Germany	France	EU	Germany
		4	Japan	Japan	Belgium	Germany	Japan
		5	Germany	US	Japan	Australia, Belgium, Japan, Spain, Switzerland	US

Countries of GGGI operation		Top 5 Bilateral Donors (including EU)					
		BY TOTAL VOLUME ¹	BY SECTOR ²				
			Economic Infrastructure incl. Energy, Transport	Production incl. Agriculture, Forestry	Multi-Sector incl. Urban Development	Social Infrastructure incl. Water supply & sanitation	
15	Peru	1	US	Germany	US	Germany	US
		2	Germany	Japan	Japan	Japan	Spain
		3	Japan	Canada	Canada	US	Germany
		4	Spain	Switzerland	Germany	Switzerland	EU
		5	EU	Belgium, Korea, Norway, US	EU	Spain	Japan
16	Colombia	1	US	France	US	France	US
		2	France	Japan	Germany	US	France
		3	Germany	Switzerland	Canada, EU, Korea	Germany, Netherlands	Germany
		4	EU	Canada, Korea, US		Switzerland, EU	EU, Spain
		5	Sweden				
17	South Africa	1	US	France	US	France	US
		2	France	UK	Belgium	Germany	EU
		3	EU	Germany	Australia, Denmark, Finland, Germany, Japan, Sweden, Switzerland, UK	EU	Germany
		4	UK	Norway		Switzerland, UK	UK
		5	Germany	US			France
18	China	1	Germany	Germany	Japan	Japan	Germany
		2	Japan	EU	EU	France	Japan
		3	France	Denmark, UK	Germany	Germany	France
		4	EU	US	Denmark	Norway	UK
		5	UK		Sweden, US	EU	US
19	Thailand	1	Japan	Japan	Japan	Japan	Japan
		2	US	Germany	France	EU	US
		3	EU		Australia, Korea, Norway	France, Germany	Germany
		4	Germany			US	France, EU
		5	France				
20	Kazakhstan	1	Turkey	Japan	US	EU, US	US
		2	Japan	US	EU, UK, Japan	Germany	Germany
		3	US	Germany, Norway		Australia, Japan, Switzerland	EU
		4	Germany	EU, France, Korea, Switzerland			France
		5	EU				Japan, UK

Note:

* When more than 1 countries are ranked together, listed in alphabetical order

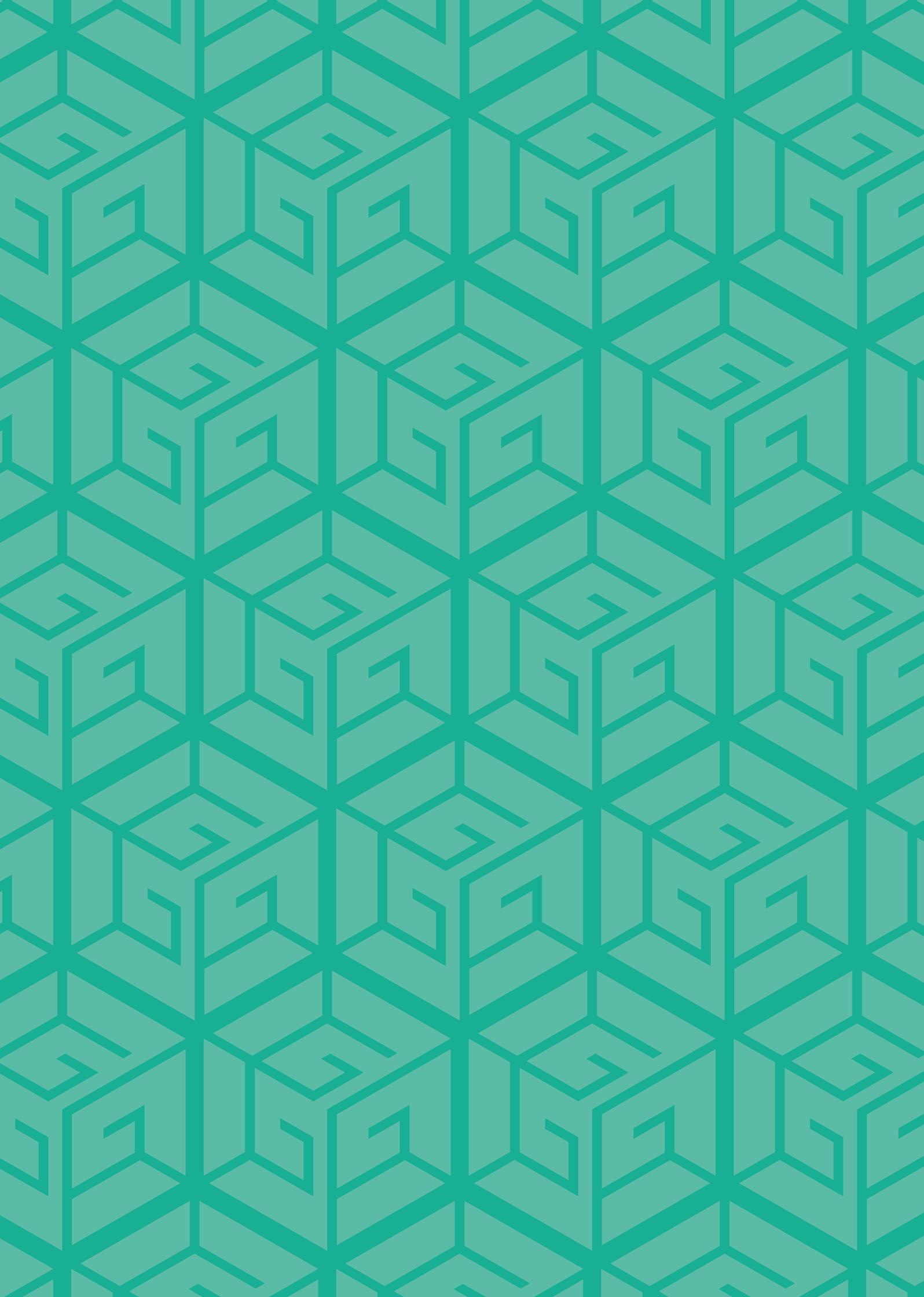
1) Gross disbursements, 2012-2013 average

2) Gross disbursements, 2013

3) data N/A

Source: <http://www.oecd.org/dac/stats/aid-at-a-glance.htm>; Interactive summary charts by aid (ODA) recipients;

<http://www.compareyourcountry.org/aid-statistics?cr=238&cr1=oeed&lg=en&page=1>





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