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**Global Green Growth Institute**  
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## **Discussion paper: GGGI membership expansion**

The current situation and key challenges related to expansion of membership are addressed in this paper. We highlight a number of issues related to the current membership situation and propose a possible strategy for expansion, within the framework of the Agreement on the Establishment of the Global Green Growth Institute (Establishment Agreement).

### **I. Current situation**

1. Part 1 of Article 5 of the Establishment Agreement provides the basis for membership of the GGGI: “A state or regional integration organization shall become a Member of the GGGI by becoming Party to this Agreement.” At present, GGGI has 13 Members and 7 countries that have signed the Establishment Agreement but not yet completed ratification processes, as shown in Annex A. Rwanda and Mongolia joined as new signatory states in June 2013, within the one year window set under Article 19 of the Establishment Agreement. From now on, countries wishing to become members must accede to the Establishment Agreement, a one-step process.
2. The open-ended framing of Article 5 implies that any country party to the United Nations or any regional integration organization composed of UN parties may join the GGGI as long as they express their support for GGGI’s mission and objectives and accede to the Establishment Agreement.

#### *A case for expansion*

3. GGGI’s mission is globally ambitious. While the period immediately ahead is one of consolidation, in the medium term to achieve its objectives<sup>1</sup> GGGI must aim to be a globally relevant organization. GGGI needs a broad enough membership base to represent credibly a substantial part of the international community. Beyond membership alone, GGGI’s activities must reach further than their current dimensions if the first ‘G’ in its title is to be fully vindicated. While the current portfolio covers most continents, it is spread thin and green growth planning is a long way from becoming a mainstream activity in developing countries. Over time, GGGI should probably be working in around

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<sup>1</sup> Article 2 on Objectives states: “The GGGI shall promote sustainable development of developing and emerging countries, including the least developed countries, by: (a) supporting and diffusing a new paradigm of economic growth: green growth, which is a balanced advance of economic growth and environmental sustainability; (b) targeting key aspects of economic performance and resilience, poverty reduction, job creation and social inclusion, and those of environmental sustainability such as climate change mitigation and adaptation, biodiversity protection and securing access to affordable, clean energy, clean water and land; and (c) creating and improving the economic, environmental and social conditions of developing and emerging countries through partnerships between developed and developing countries and the public and private sectors.”

50 countries with economies representing the whole spectrum of development. This will require a much broader and more stable financial base than is now the case, something that carefully planned membership expansion could help bring.

## II. Key Issues

### *Role of the Council*

4. At the present time, GGGI has no policy on membership and no specific plans for expansion. Consistent with the strategic objectives of the organization, membership expansion should be approached in a planned and orderly manner. This is more so in the event that relatively rapid expansion is envisioned. Such expansion should be done proactively and in a targeted way in order to ensure GGGI's relevance in terms of policy impact at the global level.
5. Strong consensus among the members on membership expansion is a prerequisite. Membership expansion is first and foremost a political and policy question, properly the business of the Council.
6. Membership is also related directly and indirectly to other key issues, including financial contributions and membership of the Council. In some cases, notwithstanding the principle of rotation, prospective contributing countries may expect a seat on the Council immediately following their contribution in order to be assured either of some degree of influence on GGGI's strategic direction or oversight of its performance and financial results.
7. If GGGI were to take a more active approach on membership expansion, a set of criteria and a procedure for accession of new members agreed by the Council would be required. To avoid too great complexity, these should be consistent with the Establishment Agreement.

### *Balance*

8. A second issue relates to the balance amongst contributing and participating members, ODA eligible and non-ODA countries, and global representation. A balance in membership is necessary for credibility – the 'G' for Global again – and also to sustain the work of the organization. Separately the Secretariat have canvassed a range of changes to the funding of GGGI that would render the distinction between contributing and participating members less clear-cut than the Establishment Agreement envisages; but that distinction is likely to remain largely unchanged for the next few years. While some funding and in-kind support can be counted on from participating countries, most of GGGI's resources will continue to come from its contributing members and from others providing earmarked funds for work consistent with and supportive of GGGI's objectives.<sup>2</sup> If expansion were to lead to more outputs from GGGI, then clearly a proportion of new members have to be contributors.

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<sup>2</sup> Unless the practice of contributing more than the base amount of USD 5 million becomes more common, we roughly calculate that each new contributing country would allow a new GGGI program in two to four countries, depending on the cost of the country program.

9. This begs the question of what might be said to be the ‘value proposition’ for contributing members – and indeed participating members. At present contributing members can be sure of a seat on the Council without having to sit out a term under the principle of rotation. Several contributing members have made it clear informally that they see Council membership as essential. With expansion, this cannot continue to be the case although careful selection of non-state members of the Council to convey the essentials of country representation could buy some time. In the medium term, an informal constituency arrangement might be possible. This is something that Members and prospective Members would have to consider themselves. In the longer term the issue invites discussion of the trade-off between the right to representation and the maintenance of a Council small enough to be an efficient decision-making body. Enlargement of the Council would of course require amendment of the Establishment Agreement and is therefore beyond the scope of this note.
10. If contributing countries have a taxpayer-driven interest in representation on the executive organ as *quid pro quo*, what benefits do participating members gain? This issue was discussed at the Jakarta workshop. The Secretariat is proposing a South-South program as part of its 2014 budget and work plan. In addition, the Secretariat is working on a series of possible measures that would collectively constitute a ‘Members Package’. Most of the measures suggested at the workshop are low-cost and related to communication of a starter-kit for green growth planning. If GGGI is to attract the new members it wants, the package should be stronger and capable of being targeted to particular countries or at least to a range of economic/sectoral issues. The Secretariat will discuss potential additional elements with other organizations to try to constitute a more attractive package. Specific proposals from current Members would aid this task.

#### *Procedure of accession*

11. The current Establishment Agreement does not have implementation provisions which elaborate the procedure of accession. Conceivably GGGI could find itself taking on large numbers of new Members whose commitment to the precepts of the Establishment Agreement were variable and who might make increasing demands for assistance that could not be met. There has been no sign of this yet. In the year since establishment, only two new countries have joined and these are both from one of the priority groups identified below. Numerous countries have enquired about membership in recent months and Senegal has advised that it has decided to join, but to date no instruments of accession have been received and the Secretariat is unaware that any country has taken the necessary steps with regard to accession in order to become a member.

### **III. Recommendations**

12. The Secretariat, first of all, asks the Council to provide guidance on in-principle issues regarding membership expansion. Key questions the Council may wish to consider include:
- Does GGGI need membership expansion in the next couple of years?
  - How many new contributing members does GGGI need in the near future?
  - What is the balance between contributing members and participating members?
  - Is the principle for rotation on the Council adequate for a growing base of members?

13. Any active effort to promote membership expansion is essentially a political endeavor and should be led by current Members, supported by the Secretariat. Current Members will be the most knowledgeable about and the most influential proponents of GGGI's work.

*Criteria*

14. In the Secretariat's view, key criteria for prioritizing new members that would help ensure GGGI's policy relevance, financial stability and growth would include:
- a. Like-mindedness: First and foremost, new members subscribe to GGGI's objectives.
  - b. Diversity: Geographic (regional) and economic diversity lends credibility to efforts to demonstrate examples of green growth in different geographies and types of economies.
  - c. Operational presence. As mentioned in papers about the critical role of privileges and immunities in the work of GGGI or indeed any international organization, all countries in which GGGI operates should be Members. Countries where GGGI works that are not yet Members are listed in Annex B. This group is a priority for current Members to encourage to join.
  - d. Political neutrality: GGGI should consider the political consequences of potential members if such membership would likely deter current or future key member states.
  - e. Balance between contributing and participating: As discussed above, GGGI needs to ensure that it is not overwhelmed with members that expect programs, without some offsetting number of members that can cover the costs of a growing program portfolio.
15. If GGGI is to take a proactive approach in membership expansion, the Secretariat recommends that the initial target group (apart from the group described in (c) in the preceding paragraph) be G-20 member countries, considering their significant role in major global issues. In this context, GGGI must strengthen efforts to promote itself to the G-20 members and at relevant G20-related meetings. For this purpose, the Secretariat proposes to cooperate closely with GGGI members who are in the G-20 to expand membership. The Secretariat suggests that by the end of 2015, the GGGI needs at least one or two more members from the G-20.
16. Along similar lines, the Secretariat proposes the second target group be OECD members that can substantially contribute to the financial stability of GGGI. The Secretariat suggests that by the end of 2015, two to four more donor countries join as members. Developing and emerging economies that express their interest in GGGI membership could balance the package with the other target group countries.
17. In relation to the open-ended provisions of the Establishment Agreement for membership, the Secretariat notes that this has caused no problems to date. Nonetheless as GGGI's work becomes better known and its successes recognized, it is very likely that more countries will see membership as a precursor to obtaining a GGGI program of assistance. This could result in a mismatch of expectations and delivery, an undesirable development. As an interim measure the Council could actively monitor interest in membership with

the assistance of the Secretariat. In the future, the Secretariat will report at each Council session on enquiries about membership and any follow-up action of which it is aware.

**Annex A. Members and signatory states**

Consistent with C/4/2, following is the current status of ratification, acceptance or approval by the Signatory states as of 1 November 2013:

No.	Country	Ratification Status
Member states		
1	Denmark	GGGI received Letter of Approval on 16 August 2012
2	Guyana	GGGI received Instrument of Ratification on 4 September 2012
3	Kiribati	GGGI received Instrument of Ratification on 18 September 2012
4	Philippines	GGGI received Instrument of Ratification on 9 October 2012
5	Republic of Korea	GGGI received Instrument of Ratification on 29 November 2012
6	Vietnam	GGGI received Instrument of Approval on 12 December 2012
7	Cambodia	GGGI received Instrument of Ratification on 22 February 2013
8	Qatar	GGGI received Instrument of Acceptance on 22 February 2013
9	Papua New Guinea	GGGI received Instrument of Ratification on 11 March 2013
10	UAE	GGGI received Instrument of Ratification on 29 April 2013
11	United Kingdom	GGGI received Instrument of Ratification on 28 May 2013
12	Ethiopia	GGGI received Instrument of Ratification on 5 July 2013
13	Norway	GGGI received Instrument of Ratification on 26 August 2013
14	Costa Rica	Ratification documents submitted to Congress on 24 January 2013
Signatory states		
15	Australia	Expecting to ratify by end of 2013
16	Indonesia	
17	Mexico	
18	Paraguay	
19	Mongolia	Expected ratification date unknown
20	Rwanda	

## Annex B. Reference countries

Current GGGI Members and Signatory States	Members of the G-20	Members of the OECD	Non-GGGI member countries with GGGI operations	Potential non-member donors that have provided earmarked funding or expressed interest in GGGI membership
1 Australia	1 Argentina	1 Australia	1 Colombia (Amazon Basin)	1 <i>EU</i>
2 <b>Cambodia</b>	2 Australia	2 Austria	2 Brazil	2 <i>France</i>
3 Costa Rica	3 Brazil	3 Belgium	3 China	3 Germany (BMU)
4 Denmark	4 Canada	4 Canada	4 India	4 <i>Italy</i>
5 <b>Ethiopia</b>	5 China	5 Chile	5 Jordan	5 Japan (JICA)
6 Guyana	6 France	6 Czech Republic	6 Kazakhstan	6 Sweden (New Climate Economy)
7 <b>Indonesia</b>	7 Germany	7 Denmark	7 Morocco	7 Switzerland (SDC for water)
8 Kiribati	8 India	8 Estonia	8 Peru	
9 <b>Mexico</b>	9 Indonesia	9 Finland	9 South Africa	<i>Italics</i> indicates expressed interest
10 <b>Mongolia</b>	10 Italy	10 France	10 Thailand	
11 Norway	11 Japan	11 Germany		
12 Papua New Guinea	12 Republic of Korea	12 Greece		
13 Paraguay	13 Mexico	13 Hungary		
14 <b>Philippines</b>	14 Russia	14 Iceland		
15 Qatar	15 Saudi Arabia	15 Ireland		
16 Rwanda	16 South Africa	16 Israel		
17 South Korea	17 United Kingdom	17 Italy		
18 <b>UAE</b>	18 United States of America	18 Japan		
19 UK	19 European Union	19 Korea		
20 <b>Vietnam</b>	represented by the President of the EC and Head of the European Central Bank	20 Luxembourg		
		21 Mexico		
		22 Netherlands		
		23 New Zealand		
		24 Norway		
		25 Poland		
		26 Portugal		
		27 Slovak Republic		
		28 Slovenia		
		29 Spain		
		30 Sweden		
		31 Switzerland		
		32 Turkey		
		33 United Kingdom		
		34 United States		

**Bold** indicates GGP&I programs