

Global Green Growth Institute

Third session of the Council

Songdo, 8-9 June 2013

Decision on Country Program Selection Criteria

The Council,

Recalling Articles 2 and 4 of the Agreement on the Establishment of the Global Green Growth Institute, regarding the Objectives and Activities of the GGGI; and,

Taking note of the initial discussions held in the Secretariat and Program Sub-Committee regarding country selection criteria;

Decides:

1. To take note of the concept note for country program selection criteria, as attached in Annex 1;
2. To request the Secretariat, in collaboration with the Program Sub-Committee, to develop a set of country program selection criteria for circulation to the Facilitative Sub-Committee before the strategic discussion held by the Council in September 2013; and,
3. To request the Facilitative Sub-Committee, in cooperation with the Program Sub-Committee and Secretariat, to present country program selection criteria for consideration and decision by Written Procedure to the Council by 30 September 2013.



Country Program Selection Criteria

Country program selection criteria were discussed in the Program Sub-Committee on 7 June 2013. The attached concept note on country program selection criteria was presented to the Program Sub-Committee for consideration and discussion for the meeting on 7 June. Costa Rica, as Chair of the Program Sub-Committee, will provide an update on the discussions held in the Program Sub-Committee during the third session of the Council.

Country Program Selection Criteria – A Concept Note

Purpose

This concept note outlines the current approach by the GGGI Secretariat with regard to selection of countries, sub-national entities and regions for engagement in the Green Growth Planning & Implementation program. It also explores the potential decision-making processes to follow in identifying potential new engagements for scoping, set-up and implementation of GGP&I programs. These processes are currently being discussed within the Program Sub-Committee for recommendation to the Council.

Background

The GGGI aims to provide direct and customized support to governments in developing countries as they design, adopt and implement green growth strategies through Green Growth Planning and Implementation (GGP&I).

- Since 2010, the GGGI has scoped and launched programs in nineteen countries including the Amazon Basin, Brazil, Cambodia, China, Ethiopia, India, Indonesia, Jordan, Kazakhstan, Mongolia, Peru, Philippines, Thailand, Rwanda, United Arab Emirates and Vietnam.
- Under the current Strategic Plan 2012-14, the GGGI plans to expand to at least 12-15 additional national or subnational green growth plans.
- In determining the new countries, the GGGI will base its selection on objective criteria¹ and a transparent procedure recognizing the importance of country selection in ensuring the effectiveness of the GGGI's support and accountability to its donors, its members and its partner countries.

During its operation, the GGGI has made efforts to systematize its country program selection.

- A set of selection criteria was proposed in the Strategic Plan 2012-14 and approved by the Board of Directors of K-GGGI in June 2012 prior to international organization conversion.
- At this time, a project funded by the German government (German Federal Ministry of the Environment, Nature Conservation and Nuclear Safety or BMU) was conducted developing a methodology for country program selection with detailed process and indicators for quantitative and qualitative assessment.
- Selection criteria discussed in this document are based on these existing and continuing efforts.

¹ Art 8.8(c) of the Agreement on the Establishment of the Global Green Growth Institute

The GGGI Secretariat recognizes that the Council, including its Sub-Committees, will need to be more directly involved in the decision-making process for new scoping engagements and expansion of the GGGI portfolio. The Secretariat is therefore exploring new procedures reflecting the current practice as well as the new governing structure of the GGGI as an international organization.

Country Program Selection Criteria

As the demand for green growth planning is expanding, the GGGI will prioritize countries, provinces or cities with the following criteria when deciding the locations of its activities²:

- Strong, high-level political commitment, preferably from the head of government or minister for finance or economy;
- Willingness to view green growth as an element of its comprehensive economic strategy;
- Potential to become an example that guides the development and dissemination of green growth strategies both regionally and globally;
- Potential for significant impact on the global economy, thereby furthering the economic case for green growth planning and implementation;
- Particular needs that correlate with the GGGI's strengths, especially its analytical capabilities; and,
- Lower and middle income countries which are eligible for ODA under the OECD DAC³.

The GGGI prioritizes programs supporting comprehensive green growth planning and implementation, which should represent 70-80 per cent of resources devoted to the GGP&I program.

- Most GGP&I programs will be at the national level, but the GGGI will also work at the provincial or municipal levels since many provinces and cities offer a larger scale of potential impact than some national level projects.
- The remaining 20-30 per cent of the GGP&I program resources will go toward support for planning and implementation of strategies for specific sectors (e.g., transport, energy use, water management) on the condition that these sector-based projects can lead to more comprehensive support.

In order to maximize the impact of its programs and to produce examples which will be seen as relevant to many different countries, the GGGI will aim to select countries that can contribute to a diverse portfolio of projects, representative of the different challenges faced by different countries. It will, therefore, select countries:

- Across different regions (Middle East & North Africa, Sub-Saharan Africa, South America, and South & South-East Asia);

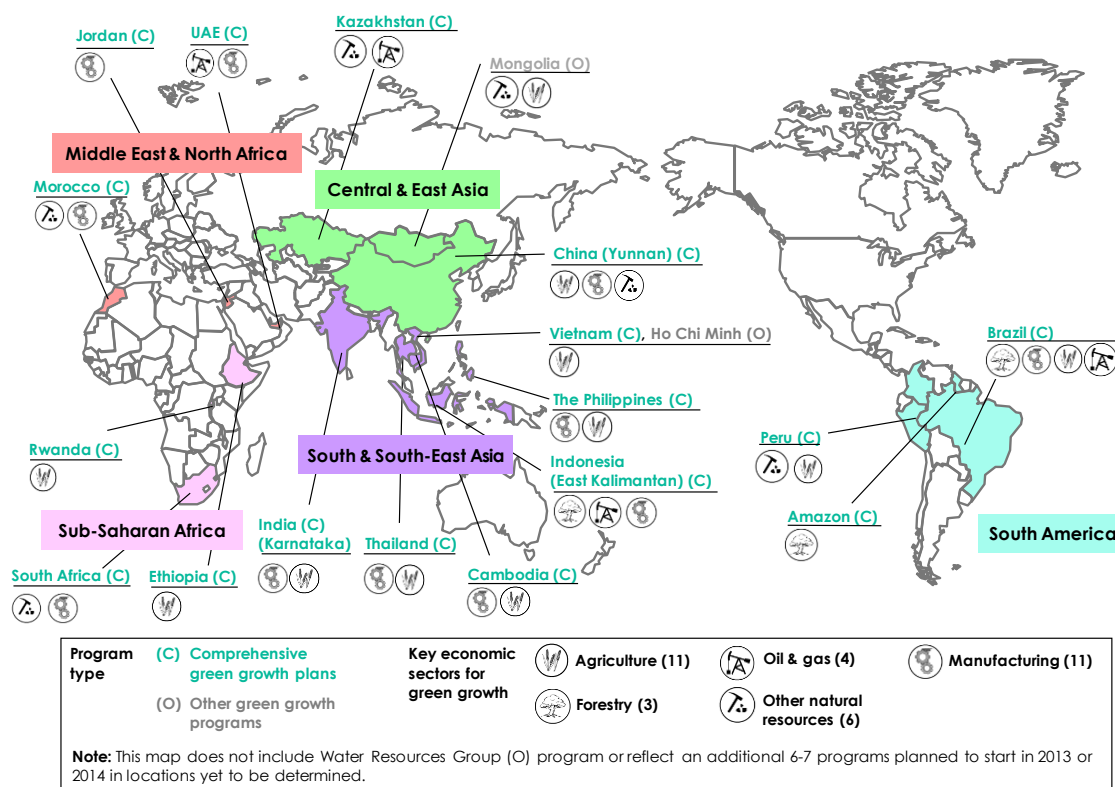
² Strategic Plan 2012-14

³ See The DAC List Of ODA Recipients, Factsheet - January 2012 (<http://www.oecd.org/dac/stats/49483614.pdf>)

- At different income levels (e.g., low-income countries, frontier markets, and big emerging economies); and,
- With different types of economy (e.g., economies primarily dependent on agriculture, economies driven by large industry or manufacturing, economies rich in oil, natural gas, and other natural resources).

Figure 1 below shows the geographical and economic diversity of the GGGI's current and planned portfolio until 2014.

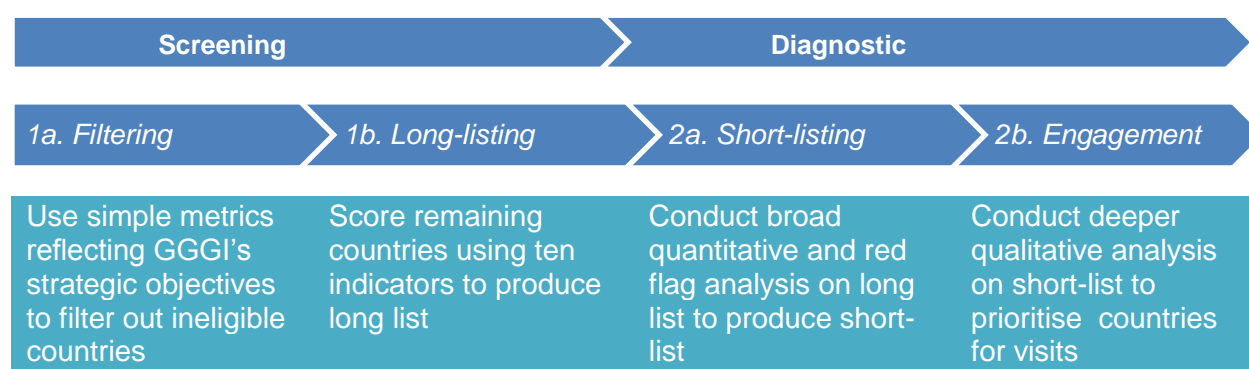
Figure 1. GGGI's portfolio of comprehensive and other green growth programs already underway or undergoing scoping (2012-2014)



In addition to these principles, in an effort to elaborate further the criteria and to create a systematic approach for assessment, the GGGI has developed a proposed methodology for country program selection.⁴

- The proposed methodology is based on two main phases (Screening and Diagnostic) and four individual steps (Filtering, Long-listing, Short-listing and Engagement) involving a combination of screening and scoping of countries based on a range of green growth potential and enabling criteria.
- It provides assessment of both quantitative and qualitative criteria. Figure 2 below provides an overview of the steps of the selection methodology.

Figure 2. Overview of Country Selection Methodology



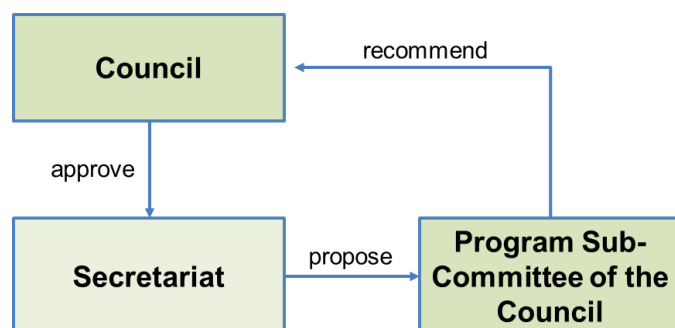
The Secretariat will continue working with the Program Sub-Committee to elaborate further on the criteria and refine the methodology and indicators with an aim to making the selection criteria and procedure objective and practical.

Decision-Making Procedure

The GGGI's current GGP&I program portfolio was approved by the Board of Directors at their regular meetings based on the proposal prepared by the Executive Director under the K-GGGI. In the context of the IO-GGGI, the decision-making authority for engagement with new countries, sub-national entities and regions remains with the Council. The following picture lays out a potential option for such a decision-making procedure, which will be the subject of discussion with the Program Sub-Committee.

⁴ This methodology was developed as part of a project funded by the German Federal Ministry of the Environment, Nature Conservation and Nuclear Safety

Figure 3. Country Selection Procedure



The proposed approach is for the Secretariat to propose to the Council, as part of its mandate of approving the annual work program and budget⁵, approval of the GGP&I portfolio on an annual basis.

- For the effectiveness and efficiency of decision making, it is proposed that the Secretariat requests the Program Sub-Committee⁶ to review and provide strategic guidance to the initial proposal from the Secretariat.
- The Secretariat will ensure transparent operation of the country program selection procedure and coordination with the Council and its Sub-Committees, including the Audit & Finance Sub-Committee.

It is also expected that new opportunities will arise from time to time, consistent with the GGGI Strategy, in addition to the annually approved portfolio. Consistent with Regulation 3.3 in the Financial Regulations (C/3/8), the Secretariat will seek approval for initiating such projects through the Facilitative Sub-Committee on the basis of a recommendation from the Program Sub-Committee.

Revision

The Secretariat is in the process of discussing this proposed selection procedures with the Program Sub-Committee. A proposal will be recommended by the Program Sub-Committee at the next meeting scheduled for 7 June 2013.

⁵ Art 8.5(c) and (f) of the Agreement on the Establishment of the Global Green Growth Institute

⁶ Art 8.12 of the Agreement on the Establishment of the Global Green Growth Institute