



Global Green Growth Institute
Council of the GGGI
Written Procedure
13 August 2015

Decision on the Summary of the Seventh Session of the Council

The Council,

Recalling the Seventh Session of the Council on 23-24 July 2015 in Bali, Indonesia;

Recalling Rule 14 of the Rules of Procedure of the Council ([C/1/1](#)) relating to decisions by written procedure and the process for which established in the Decisions by Written Procedure ([C/3/DC/9](#));

Approves the Summary of the Seventh Session of Council, as attached in Annex 1.

Global Green Growth Institute
Seventh Session of the Council
Bali, Indonesia
23-24 July 2015

Summary of the Seventh Session of the Council

1. The Seventh Session of the Council was attended by 11 members of Council, as well as 4 GGGI members that are not members of the Council (Mongolia, United Kingdom and Vietnam) and 5 non-members (Comoros, Germany, Hungary, the Netherlands and Uganda). The Session was chaired by H.E. Susilo Bambang Yudhoyono, Chair of the Council.
2. The participation of a number of non-members followed the Decision on Participation in the Seventh Session of the Council ([C/WRP/DC/15](#)). Underpinning this decision was the growing interest from countries to join GGGI, as well as the importance to stimulate and diffuse green growth through partnerships.
3. Annex 1 provides the list of participants for the Session. Annex 2 provides the list of documents shared with members.

Progress Report from the Director-General

4. The Director-General presented his first report to Council ([C/7/1](#)) on progress made by the Institute in implementing the Strategic Plan 2015-2020 ([C/6/DC/4](#)) and the Work Program and Budget (WPB) 2015-2016 ([C/6/DC/5](#)). The presentation was structured in two parts: (a) institutional reforms; and (b) delivery at the project-level.
5. On institutional reforms, the Director-General highlighted progress in:
 - Delivering as “one” with a unified and streamlined value chain aligned to country priorities through internal reorganization and the development of portfolio strategies;
 - Ensuring that the Institute achieves its desired impact in a cost-effective manner through efforts to strengthen results-based management;
 - Balancing the Institute’s portfolio in line with the targets set out in the Strategic Plan through the Least Developed Country (LDC) expansion plan;
 - Mobilizing resources to ensure sustainability and continued relevance through the enlargement of contributing members and mobilizing earmarked funds;
 - Increasing the Institute’s relevance through strategic partnerships, including with the G20 GreenInvest and sub-regional dialogues, as well as enhanced communications; and
 - Delivering more for less through restructuring the organizational restructuring, procurement and human resource management reforms, and the consolidation of Governance Organs.
6. The Director-General noted that challenges remain in the six reform areas. In particular, full alignment of project-level logical frameworks against the Institute’s results framework has yet to be achieved. Another challenge touched upon by the Director-General relates to the alignment of staff capacities and skills with the Strategic Plan 2015-2020 and WPB 2015-2016. The Institute

also noted that progress in membership discussions with BRICS (Brazil, Russian Federation, India, China, South Africa) have been slower than expected.

7. Members focused their discussions on how the Institute can improve its relevance to global debates. Members encouraged the Institute to actively participate in the upcoming events like the United Nations Sustainable Development Goals Summit to adopt the post-2015 development agenda and the Paris 2015 UN Climate Change Conference (COP 21). The Institute reaffirmed its commitment to enhance its relevance by having excellent programs on the ground and working on awareness at country level.
8. On delivery at the project-level, the Institute highlighted:
 - Progress in implementing 38 projects across 19 countries in Africa, Latin America, Middle East, Asia and the Pacific, though noting slower than anticipated disbursements attributed to delays in recruitment and delays in negotiating Host Country Agreements;
 - Its portfolio composition of 32% on energy; 20% on green cities; 12% on land use; 12% on water; and 24% on cross-cutting issues and national or subnational level planning;
 - The tangible outcomes of the Philippines Eco-town and Karnataka (India) Mainstreaming and Implementation of Green Growth Strategies projects;
 - The examples of UAE and Vietnam for strengthening green growth planning, financing and institutional frameworks; GreenInvest and Ethiopia for increasing green investment flows; and Green Growth Best Practices and Green Growth Knowledge Platform for improving knowledge sharing and learning on green growth; and
 - The launch of an Enterprise Resource Planning (ERP) system – 3gi Connect - to enable more systematic and efficient tracking of progress against expected project results.
9. Members welcomed the Institute’s progress, especially the Philippines Eco-town project. However, members raised questions about the low rate of disbursements and how to ensure that GGGI can achieve its objectives in the future. Some members urged the Institute to engage more actively in the Pacific region. The Institute recognized that progress has been slower than expected, but added that the Institute is in a good position to speed up its implementation in the second half of 2015.

Policy Barriers to Green Investment: How to Convert Climate Action into a New Source of Investment, Economic Growth, and Job Creation

10. Infrastructure can lock in patterns of inefficiency, like poorly planned roads and sprawling cities that create dependence on private transportation or poor housing stock. However, infrastructure can also lock in energy efficiencies, facilitate decarbonization, and reduce pollution. Enabling the broader set of non-infrastructure assets is also necessary to support green growth.
11. However, governments need a strong evidence base to demonstrate the potential of green investments especially in the context where brown investments are generally perceived as cheaper. This evidence base can be used to build political commitment and the public at large, as well as increase technical knowledge and capacity within the public and private sectors. New financial products aimed a long-term investors with an interest in green growth are also required.
12. The discussion within the Council focused primarily on (a) where GGGI could focus in order to reduce the barriers to green investments, and (b) what kind of initiatives could GGGI engage to help unlock infrastructure investment in member countries? The discussion was supported by the

paper “Policy Barriers to Green Investment: How Sound Policy Can Drive Investment, Green Growth, and Job Creation” ([C/7/2](#)).

13. The discussion between members, observers and invited experts highlighted:

- GGGI could support member governments to better understand broader social cost implications of green - versus brown – investment, and help them to mainstream green investment in their development agendas, including through the development of policy guidelines and preparation projects for green infrastructure.
- GGGI could support member governments to gain increased access to green infrastructure financing provided by international financial institutes – including the Asian Development Bank, Green Climate Fund, Asian Infrastructure Investment Bank – as well as blended finance and public-private partnerships.
- GGGI could strengthen its strategic partnerships with organizations and institutes with their own knowledge networks and programs, such as WBCSD and OECD, in order to complement each other’s initiatives, develop synergies and avoid duplicative efforts.
- GGGI could forge private-public partnerships in green products and services that support increased green investment.

Social Inclusion: How to Make Pro-Poor Inclusive Green Growth a Reality

14. Green growth offers a potential route to address the interlinked challenges facing member’s economies, environments and societies. Most green growth efforts place the economy and environment front and center. However, green growth needs broad societal support to fulfil its promise of being inclusive and to address the needs of the poor and disadvantaged groups.

15. Green growth is not automatically be inclusive. However, with the right approaches it can be, through building on robust and effective dialogues, diagnostics, frameworks and partnerships. Governments need to include stakeholders in green growth planning and implementation to ensure that it is equitable and effectively reduces poverty, and that the costs, benefits and risks are shared.

16. The discussions focused primarily on: (a) how can green growth make further progress to reduce poverty and improve social inclusion; and (b) how can GGGI and its partners support member countries in this process? The discussion was supported by the paper “Social Inclusion: How to Make Pro-Poor Inclusive Green Growth a Reality” ([C/7/3](#)).

17. The discussion between members, observers and invited experts highlighted:

- Better metrics and supporting data are required to measure progress on pro-poor inclusive green growth.
- Stakeholders need to be engaged in green growth initiatives, through bottom-up and top-down processes.
- The distributional impact on different social groups need to be considered in all stages of green growth policy and project design and implementation.
- Greater coherence is needed between the sustainable development and poverty reduction policies and the national budget processes.
- Capacity building is important to overcome challenges in implementing inclusive green growth.
- Microfinance provides opportunities to increase employment, both in rural and urban areas, that may not otherwise be possible.

- GGGI's comparative advantage is in-country work and the Institute's work on social inclusion should focus on sectoral projects and national green growth strategies.
- GGGI can assist members to develop tools for examining the trade-offs between economic, social and environmental challenges to inform government decision making.
- GGGI can better communicate the lessons learned from its in-country engagement to strengthen south-south learning.
- GGGI can strengthen its global networks to take advantage of innovations and trends at the international level, as well as to shape them.

Delivering More for Less

a. Financial update

18. The Institute presented the financial status until the end of May 2015 (C/7/4) and a disbursement report by division and project (C/7/5).¹ The Institute noted that the tabling of information on disbursement by division and project followed the request for disaggregated spend information at the Second Meeting of the Management and Program Sub-Committee (MPSC) that took place on 28-29 May 2015.
19. Indonesia announced that it anticipates its contribution of USD 5 million to the Institute's core funds to be made at the end of August or beginning of September 2015, pending review by the Indonesian Ministry of Finance.
20. The Institute outlined its proactive actions to increase disbursement including strengthened procurement planning, collaboration with UNOPS to expedite the recruitment of consultants, and tying the establishment of host country agreements with the initiation of country programs.
21. Several members expressed concerns about the current low levels of project disbursement. Suggestions on speeding up its delivery included enhancing coordination between Seoul HQ and country offices and recruiting staff, including local consultants in order to fill recruitment gap and to build local capacity.

b. Supplementary budget request for 2015

22. The Council approved the supplementary budget request of USD 1,988,063 for the remaining five months of fiscal year (FY) 2015 (C/7/DC/1). The decision includes:
 - a. USD 353,440 to reinforce country programs in the Philippines and South Africa;
 - b. USD 560,623 to enhance knowledge-based support, including the expansion of integrated capacity development activities and development of a green growth index;
 - c. USD 220,000 to conduct scoping work to improve the Institute's outreach and promotion of strategic partnerships at a sub-regional level; and
 - d. USD 854,000 to scale up LDC expansion plan.
23. In addition, the Institute added:

¹ Documents C/7/4 and C/7/5 are considered confidential under the GGGI Disclosure Policy.

- a. The previously allocated bridge financing for Indonesia of USD 700,000 will be returned to core funds, in view of funds coming from the Government of Norway;
 - b. The closing date for LDC expansion project be extended from 31 March 2015 to 31 December 2016; and
 - c. The core budget be increased by EUR 98,875 (USD 109,861 equivalent) following receipt of the grant by European Commission for the Green Growth and Win-win Strategies for Sustainable Climate Action (GREEN-WIN) project, with the project commencing September 2015 and ending August 2018.
24. Members called for continued engagement with countries that have a significant impact on climate change, such as BRICS. Members encouraged the Institute to continue its operations in South Africa in parallel with discussions on possible South African membership. The Chair proposed to delay the disbursement the supplementary budget request for South Africa and will review in accordance with the results of the consultations with the country. Within this context, the Institute called upon members with embassies in Pretoria to assist the Institute to effectively engage with South Africa on the issue of membership.
- c. Work Program and Budget system improvements*
25. The Institute presented its proposal to strengthen its Work Program and Budget system highlighting actions in three areas: better financial forecasting, flexibility in budget execution, and increasing transparency and accountability. Members took note of the proposal and encouraged the Institute to move into the process of a more flexible budgetary system.
- d. Governance Organ session schedule for 2016*
26. The Institute presented its proposed schedule of governance sessions for 2016, including the possibility of holding one session of Council once a year, instead of the current practice of two sessions every year. Members supported one session of Council a year, while a couple of members pointed out maintaining flexibility on this matter and one member found two sessions per year to be appropriate. GGGI and members share the importance of transparency and responsiveness. Members also emphasized the need for advance planning of governance organ meetings in order to ensure high-level participation.

Igniting Action on Green Growth Agenda

- a. Inclusive Green Growth Partnership*
27. The Institute presented on the Inclusive Green Growth Partnership ([C/7/6](#)) which it proposes to launch during the sides of COP 21 that will take place on 30 November – 11 December 2015. The Partnership seeks to leverage the strengths and challenges facing GGGI, the regional development banks and regional economic and social councils to support the identification of green growth opportunities and foster an enabling environment for green investment. The Institute reported that it has had positive conversations on the Partnership with the Asian Development Bank, the African Development Bank and the Inter-American Development Bank, as well as the United Nations regional economic and social commissions for the Africa, the Asia Pacific, Latin America and Western Asia
28. Members welcomed the Institute's plan to launch the Inclusive Green Growth Partnership, noting that COP 21 presents a major opportunity to raise the Institute's visibility. The Chair of the Council encouraged Members to be represented at high-level at the launching ceremony at COP 21.

b. Global Green Growth Summit 2016

29. The Institute noted that it plans to take forward outcomes from International Conference for financing for development in Addis Ababa, Sustainable Development Goals and outcome of COP 21 through the Global Green Growth Summit (GGGS) to be held in September 2016 in the Republic of Korea. The Institute also noted that it intends to hold GGGS back-to-back with the 2016 Green Growth Knowledge Platform (GGKP) annual conference, Council and Assembly.
30. Members broadly supported the proposed time and venue of the GGGS 2016 back-to-back with the GGGS and GGKP annual conference. Republic of Korea expressed its willingness to fully support the Summit.

Partnership and Resource Mobilization Strategy

31. The Institute presented the Institute's Partnership and Resource Mobilization Strategy ([C/7/7](#)). This Strategy aims to sustain and strengthen current resource partners and to diversify its resource base with new partners through establishing linkages between external funding challenges and internal improvements, and establishing clear corporate rules and procedures for resource mobilization. The presentation followed earlier discussions of the draft Strategy at the Second Meeting of the MPSC on 28-29 May 2015.
32. Members did not raise any comments or questions.

Any Other Business

a. Potential European Commission Membership

33. The Chair reported on potential membership of the European Commission to GGGI. The agenda item followed a letter from the European Union's Commissioner for Climate Action and Energy to the Institute on 1 July 2015 exploring possible EC membership to the GGGI. The letter indicated that the European Commission will only initiate a formal procedure to join GGGI following an amendment of specific articles of the Agreement on the Establishment of GGGI.
34. Members supported moving forward with amendment process, limiting the amendment processes to those proposed by the Commission. A number of Members also proposed that the Institute concurrently engage the Association of South East Asian Nations (ASEAN) in discussions on membership.

b. Council membership for 2016-2017

35. The Chair noted that the Fourth Session of the Assembly will elect four members to the Council for the period 2016-2017 and the Eighth Session of the Council will elect one expert/ non-state actor to the Council for the same period. Denmark, Norway (contributing members), Kiribati, Papua New Guinea (participating members), and Mr. Montek Ahluwalia (expert / non-state actor) terms on Council will end on 31 December 2015. The Chair invited Members to consider membership to the Council.

c. Fourth Session of the Assembly and Eighth Session of the Council

36. The Institute proposed to discuss the provisional agenda for the next session of the Council. Eighth Session of the Council, scheduled to be held in November 2015, will discuss the Director-General's

progress report, a supplementary budget for FY2016, and provisional agenda and schedule for governance organ meetings for 2016.

Annex 1. List of Participants

Australia

Mr. Andrew Cumpston, Assistant Secretary, Banks and Funds Branch, Department of Foreign Affairs and Trade

Denmark

Mr. Niels Pultz, Ambassador, Ministry of Foreign Affairs

Mr. Frode Neergaard, Chief Adviser, Ministry of Foreign Affairs

Ethiopia

Dr. Tewolde Berhan Gebre Egziabher, Special Advisor to the Minister, Ministry of Environment and Forest

Indonesia

Ms. Endah Murniningtyas, Deputy Minister for Natural Resources and Environment, Bappenas (National Development Planning Agency)

Mr. J. Rizal Primana, Director for Energy Resources, Mineral and Mining, Bappenas

Mr. Tubagus Choesni, Director for International Development Cooperation, Bappenas

Mr. Nizhar Marizi, Deputy Director for Energy Resources, Mineral, and Mining, Bappenas

Mr. Juanda Lubis, Staff of Directorate of Energy Resources, Mineral, and Mining, Bappenas

Ms. Teni Widuriyanti, Deputy Director for Global Development Cooperation, Bappenas

Ms. Mutiara Sari, Staff of Directorate of International Development Cooperation, Bappenas

H.E. Hasan Kleib, Director General for Multilateral Affairs, Ministry of Foreign Affairs

Ms. Ratih Astary, Directorate General of Multilateral Affairs, Ministry of Foreign Affairs

Kiribati

H.E. Tiarite Kwong, Minister for Environment, Lands and Agricultural Development

Mr. Timi Kaiekieki, Secretary for Environment, Lands and Agricultural Development

Republic of Korea

Mr. Lee Seong-ho, Director-General, Global Economic Affairs Bureau, Ministry of Foreign Affairs

Mr. Jooil Lee, Director, Global Green Growth Division, Ministry of Foreign Affairs

Ms. Hye Yeon Park, Third Secretary, Global Green Growth Division, Ministry of Foreign Affairs

Norway

Mr. John Erik Prydz, Advisor, Ministry of Climate and Environment

Papua New Guinea

Hon. Douglas Tomuriesa, Minister for Forest

Mr. David Dotauna, Chairman, PNG Forest Board

Mr. Goodwill Amos, Managing Director of PNG Forest Service

Mr. James Kiele, First Secretary to the Minister for Forest

H.E. Bill Veri, Ambassador of the Independent State of Papua New Guinea to the Republic of Korea

Mr. Douglas Kaibul, Second Secretary, Embassy of the Independent State of Papua New Guinea to the Republic of Korea

United Arab Emirates

Dr. Thani Al-Zeyoudi, Permanent Representative of the UAE to IRENA

Mr. Sameer Assaf, Policy Expert, DECC, Ministry of Foreign Affairs

Ms. Taif Mohamed Al Amiri, Green Growth Analyst

Expert and Non-State Actor Members on the Council

H.E. Dr. Susilo Bambang Yudhoyono, President of the Assembly and Chair of the Council

Comoros (non-member observer)

H.E. Aboud Mahamoud, Ambassador of Comoros to China, Indonesia, Brunei, and Malaysia.

Germany (non-member observer)

Ms. Ina von Frantzius, Counsellor and Head of Development Cooperation, German Embassy in Indonesia

Hungary (non-member observer)

H.E. Judit Németh-Pach, Ambassador Extraordinary and Plenipotentiary

Mongolia (observer)

Mr. Magvansuren Khurelsukh, Vice Minister of Environment, Green Development and Tourism

Ms. Dorjsuren Ariuntuya, Officer of International Cooperation Department, Ministry of Environment, Green Development and Tourism

The Netherlands (non-member observer)

Mr. Kees Rade, Ambassador for Sustainable Development

Uganda (non-member observer)

Mr. Gessa Nathan Dawunah, Personal Assistant to the Minister of State for Microfinance

United Kingdom (observer)

Mr. Ben Simuyandi, Economist, Department from International Development

Vietnam (observer)

H.E. The Phuong Nguyen, Vice Minister for Planning and Investment

Mr. Tuan Anh Nguyen, Deputy Director General, Department of Science, Education, Natural Resources and Environment, Minister of Planning and Investment

GGGI

Mr. Yvo de Boer, Director-General

Mr. Robert Dawson, Deputy Director-General and Head of Management and Administration

Mr. Per Bertilsson, Assistant Director-General and Head of Green Growth Planning and Implementation

Ms. Mahua Acharya, Assistant Director-General and Head of Knowledge Solutions Designate

Ms. Hyoeun Jenny Kim, Director of Strategy, Policy and Communications

Mr. Myung-Kyoon Lee, Director of Knowledge Services, Knowledge Solutions Division

Mr. Miles Austin, Director of Green Investment Services, Knowledge Solutions Division

Mr. Jahan Chowdhury, Head of Strategy and Donor Relations, Strategy, Policy and Communications Division

Mr. James Sheppard, Head of Governance and Outreach, Strategy, Policy and Communications Division

Mr. Michael Sullivan, Head of Communications, Strategy, Policy and Communications Division

Ms. Julie Choi, Governance Officer, Strategy, Policy and Communications Division

Ms. Delenia McIver, Head of Legal Services, Management and Administration

Ms. Inhee Chung, Senior Sustainability and Safeguards Specialist, Green Growth Planning and Implementation Division

Ms. Hyeon-Sook Shim, Senior Manager, Office of the Chair of the Council, Strategy, Policy and Communications Division

Ms. Jae Eun Ahn, Special Assistant to the Director-General

Ms. Margaret Kim, Special Assistant to the Assistant Director-General / Head of Green Growth Planning and Implementation Division

Mr. Kanghan Song, Special Assistant to the Deputy Director-General / Head of Management and Administration Division

Invited Speakers

Mr. Steve Bass, Head, Sustainable Markets Group, International Institute for Environment and Development (IIED)

Mr. Ilmi Granoff, Senior Research Fellow, Green Growth Team Lead, Climate and Environment, Overseas Development Institute (ODI)

Dr. J. Ryan Hogarth, Research Officer, Climate and Environment, Overseas Development Institute (ODI)

Ms. Carina Larsfalten, Managing Director, Global Policy Affairs, World Business Council for Sustainable Development (WBCSD)

Annex 2. List of documents for the Seventh Session of the Council

C/7/AG/FINAL	Agenda of the Seventh Session of the Council
C/7/DC/1	Decision on the Supplementary Budget Request, including Supplementary Core Budget Request FY 2015 as annex
C/7/1	Progress Report from the Director-General, July 2015
C/7/2	Policy Barriers to Green Investment: How Sound Policy Can Drive Investment, Green Growth and Job Creation
C/7/3	Social Inclusion: How to Make Pro-Poor Inclusive Green Growth a Reality
C/7/4	Financial Update as of May 2015
C/7/5	Disbursement Report
C/7/6	Inclusive Green Growth Partnership, Information Note
C/7/7	Sustain, Diversity and Build: GGGI Partnership and Resource Mobilization Strategy
C/7/8	Update on the European Union Membership to GGGI