

## INDEPENDENT EVALUATION OF GGGI PROGRESS AGAINST THE STRATEGIC PLAN 2015-2020

### FINAL RECOMMENDATIONS AND MANAGEMENT RESPONSE

RECOMMENDATIONS		MANAGEMENT RESPONSE
<b>OVER-ARCHING</b>		
1	<b>GGGI should consider having a longer-term Strategic Plan</b>  The current Strategic Plan is linked to Agenda 2030 and the Paris Agreement that will come into effect in 2020 but only covers the period 2015 to 2020. Other international organizations in general have a long term plan which allows them to shape international agenda and position their respective organization. Currently, GGGI is not able to position itself to influence global agenda. The Thought Leadership team could address this issue.	Agree.  1.1 As part of the mid-term strategic review process, GGGI is updating its Strategic Plan and Corporate Results Framework (CRF) with 2030 targets against the revised strategic outcomes, to demonstrate GGGI's longer term contribution in line with Agenda 2030.  The potential to adopt a longer term Strategic Planning timeframe or develop a 'Vision' document will be assessed.  <b>Timeline:</b> End 2019

2 <b>GGGI should consider alternative business models which will lead to long-term sustainability</b>  The current model of receiving donor funding for both core and earmarked has limited scope for growth. Alternative sources of funding such as fee for service, endowments, and commissions should be explored as part of long-term business models. The overall responsibility should be with DGs with input from different teams.	<p>Agree.</p> <p>2.1 GGGI's management recognizes this issue and have been exploring alternative models of funding.</p> <p>GGGI is currently ramping up its earmarked resource mobilization efforts with a central role for country teams in mobilizing resources to deliver the Country Planning Frameworks (CPFs).</p> <p>GGGI will hold further consultations with relevant partners and stakeholders and develop a clear strategy for moving toward a more sustainable funding model, incorporating alternative sources of financing.</p> <p><b>Timeline:</b> April 2018</p>
3 <b>For the next few years GGGI should consolidate as an organization.</b>  GGGI has been through many changes within a short period of time and is still growing rapidly. New teams including GIS, thematic experts and TL must be allowed to settle and contribute to organizational goals. The new outcomes should also be integrated into the programs/projects. GGGI should be selective about starting new initiatives.	<p>Agree.</p> <p>3.1 GGGI management is aware that the organization should be consolidating. It will focus on the implementation of the current Strategic Plan until the end of 2020 and consolidate the organizational structure and planned programmatic and non-programmatic work.</p> <p>At the same time, it must be recognized that GGGI's work is 'demand driven', and the organization must remain adaptable to changes in the operating context.</p> <p><b>Timeline:</b> End 2020 (Strategic Plan timeframe)</p>

4	<p><b>In GGGI's country operations political issues need to be better understood and potential responses clearly defined.</b></p> <p>As GGGI's primary modality is to be embedded within the government department, there are significant benefits as well as a constant danger that changes at the political level could disrupt its work program. GGGI should acknowledge this potential risk and formulate appropriate responses.</p>	<p>Agree.</p> <p>4.1 We are very much aware of the risk of disruption to our country programs from political change. Thus far, changes in government have not affected the continuation of our work in country. We have so far dealt with political risk by having a broad and deep engagement with government partners, and our partners view this as a strength. We will continue to focus on gaining support across different Ministries to mitigate the risk.</p> <p>Political risk is assessed in our project logframes, but more focused attention should be applied to this.</p> <p>Country political context is also now assessed in-depth in the Country Planning Frameworks.</p> <p><b>Timeline:</b> End 2017</p>
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<p><b>5 GGGI align its risk appetite with its desire to innovate and encourage entrepreneurial behaviour.</b></p> <p>GGGI's desire to innovate and be entrepreneurial creates significant corporate opportunities but also implies risks. Currently, there is limited acceptance of failure and existing processes constrain flexibility and innovation. For example, the application of output-based budgeting should be designed to allow greater flexibility in areas such as resource reallocation.</p>	<p>Agree.</p> <p>5.1 A working group with representatives from all divisions is currently developing proposals for a Work Program and Budget (WPB) 'revamp' with the objective of making programming in the next biennium more flexible, and allow for innovation and implementation of new ideas during the biennium.</p> <p><b>Timeline:</b> October 2018</p> <p>5.2 GGGI is also embarking on an organization wide Culture Change effort, with a focus on cultivating a more creative and innovative organizational culture, underpinned by the newly defined set of Core Values in the revised strategic plan.</p> <p><b>Timeline:</b> Culture Change campaign rolled out by end 2017</p>
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PROGRAM PERFORMANCE	
6 <b>GGGI should define clear points of exit from projects and host ministries.</b>	<p>GGGI does not currently define clear exit points for many of its projects neither does it define the time of exit from host ministries. While it is recognized that GGGI staff are valued as trusted advisors they often are called upon to respond to ad hoc requests. GGGI should avoid institutional capture and ensure that all work programs have clear deliverables and timeframes.</p> <p>Agree.</p> <p>6.1 GGGI's management agrees that it is important to define clear exit points from projects, and allow exit from scoping point if necessary and reallocation from projects that are not progressing as planned.</p> <p>Exit points will be defined in the CPFs in a systematic manner and inform our WPB, and Project Cycle Management (PCM), and be documented, for example in the project MOU.</p> <p>However, a key comparative advantage for GGGI in delivering long term impact is its embedded relationship with government. GGGI should remain flexible and responsive to needs, meaning GGGI may in certain circumstances need to remain engaged beyond the point of exit to ensure that the project is implemented.</p> <p>Thus far, there are a few examples of phasing out in UMICs where GGGI has achieved its objectives and strengthened capacity. Some of these countries graduate to self-funding programs and funding other countries. This model should be replicated.</p> <p>There are also good examples where GGGI have moved across different host ministries and level of government. In India, GGGI moved from working at the State level to the Federal level. In China, GGGI moved from working at the State level to the Ministry of Environment, and is now working with the National Development and Reform Commission (NDRC) with respect to knowledge sharing.</p> <p><b>Timeline:</b> End 2017</p>

7	<p><b>GGGI should find ways to gain better recognition for their contribution to green growth.</b></p> <p>GGGI's collaboration with the government is crucial but the relationship is so close that external stakeholder may not distinguish GGGI's distinct contribution. GGGI staff should be encouraged to seek formal recognition for their work through publishing reports, co-branding, awards, etc. Top management should emphasize the importance of due recognition during interactions with country teams.</p>	<p>Agree.</p> <p>7.1 GGGI will explore options available to the organization to gain better recognition for its contributions to green growth. The Office of Thought Leadership team (TL), the Investment and Policy Solutions Division (IPSD), and Green Growth Planning and Implementation (GGPI) will develop publications and promotional materials on our work in coordination with GGGI's Communications unit, and build a stronger evidence base for the green growth approach.</p> <p><b>Timeline:</b> Progress update by end 2017, and end 2018</p> <p>7.2 In many instances, GGGI receives letters and public statements from Ministers appreciating its work. A greater effort must be made to document, publicize and circulate this recognition.</p> <p>GGGI's Communications Strategy addresses these issues and they will be further explored through discussions and capacity building with country staff.</p> <p><b>Timeline:</b> End 2018</p>
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8	<p><b>GGGI should take a more active role in promoting South-South cooperation.</b></p> <ul style="list-style-type: none"> <li>a. The knowledge management should be centralized and facilitated.</li> <li>b. GGGI should ensure linkage between its HQ driven capacity building activities and country programs</li> <li>c. GGGI should seek opportunities for peer-to-peer learning through activities such as twinning arrangement, mentoring, communities of practice and potential staff secondment.</li> </ul>	<p>Agree.</p> <p>8.1 GGGI is making progress in improving South-South cooperation, and will continue to work on this. A large number of activities are happening at country level that would benefit from better documentation and presentation. TL will facilitate knowledge management at a central level. South-South cooperation can be integrated better in GGGI's work programs and communities of practice are being developed at sectoral level.</p> <p><b>Timeline:</b> End 2018</p> <p>8.2 GGGI management will explore the possibility of a secondment program.</p> <p>GGGI currently has an intern exchange programs in place with KEPCO – and management is working on extending to further programs.</p> <p><b>Timeline:</b> End 2017</p>
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<p><b>9 GGGI should have organizational structure, mechanism and process to ensure coordination and communication to ensure integrated delivery.</b></p> <p>There is still some concern about the integration of GGPI and IPSD, as IPSD staff members do not report directly to the country representative and the country team is not always kept sufficiently informed on the details of the IPSD projects. Investment work should complement the work done by country teams and should be relevant to government priorities. There is a need for organizational structure, mechanism, and process to ensure coordination and communications between the GGPI and IPSD. <b>We recommend that IPSD staff in-country should have a direct reporting line to the country representatives.</b></p>	<p>Agree.</p> <p>9.1 GGGI has made progress on integration and continually strives to improve integration efforts further. Management have instituted new integration meetings after the three external reviews and the internal mid-term review. Project Idea review meetings create a space where new project ideas for Green Investment Solutions (GIS) to work on towards bankability are reviewed together with GGPI. Sector Review meetings are held to align GGPI and IPSD teams on thematic area work in countries, and ensure that policy work supports investment work on existing meetings.</p> <p>These new efforts are in addition to the already ongoing monthly catch-up with Heads of Programs on the list of priority bankable projects, NFVs and financial instruments for the year and regular country-calls. GGGI is also in the process of developing a joint list of projects and project pipeline. Management is working toward implementation of joint outputs and KPIs and a budgetary system that supports an integrated approach</p> <p>The Management Team have discussed the issue of IPSD in-country staff reporting lines and reached a decision that in-country staff will have a dual reporting line, with a direct reporting to the relevant Thematic Lead and Head of GIS, and a direct line of reporting to the Country Representative. It was deemed that a dual reporting arrangement is most conducive to integration as it offers the staff in question specialized supervision in terms of in-depth sector knowledge, and the structure and design of investments, while allowing for flexibility in GIS resource allocation.</p> <p><b>Timeline:</b> End 2017</p>
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<b>INSTITUTIONAL DEVELOPMENT</b>	
10 <b>GGGI should aim to increase staff retention levels to meet or exceed industry benchmarks</b>  GGGI's key asset is its people. Staff turnover is high, creating obstacles to continuity and learning opportunities. GGGI should invest in training opportunities to help staff upgrade skills as well as creating clearer opportunities for advancement. As part of professional development, provide for increased opportunities for rotation between country offices, as well as between country offices and HQ. Opportunities for staff recognition should also be identified.	<p>Agree.</p> <p>10.1 It is important for GGGI to reach industry benchmarks on retention. The Management Team is keenly aware of this and is moving forward with several initiatives to improve staff engagement. These include staff engagement surveys and related action plans, an improved performance management process, staff awards training programs, management development programs, and a staff rotation system.</p> <p><b>Timeline:</b> End 2017</p>

11	<p><b>The pace of expansion should be determined by a rational balance between available resources, contribution of member countries and activities.</b></p> <p>A balanced approach to expansion is important, including for LDCs and emerging economies. It is also important to encourage co-funding when working with emerging large economies. It is important for GGGI to be strategic to see which countries get the most impact quickly. GGGI should focus on making long lasting effects in the countries they engage with, rather than doing too little in too many countries.</p>	<p>Agree.</p> <p>11.1 It is important to distinguish the issue of expansion of programs from the issue of Membership expansion. Any UN Member State can become a GGGI Member. GGGI management recognized that many countries would like to join the organization, and in each case, GGGI assesses the appropriate contribution and/or service model.</p> <p>Through our LDC expansion plan we are looking at alternative models of providing services to countries to setting up a country office. The WPB 2017-18 and related Planning Direction indicates a clear intent to move away from allocating core funding to non-Member Middle Income Countries (MICs), except in the case of strong South-South cooperation programs where Membership discussions are progressing. In the case of MIC programs, agreements should be made on graduation to a co-funding path.</p> <p><b>Timeline:</b> April 2018</p>
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12	<p><b>GGGI must sharpen its approach to resource mobilisation</b></p> <p>Until relatively recently, responsibility for resource mobilisation was diffuse. Progress in defining a clearer model for seeking new funding sources has been made but needs additional emphasis, resources and senior management time. GGGI should aggressively explore funding opportunities from non-traditional sources (foundations, High Net Worth Individuals and the private sector and university endowment funds, pension funds). GGGI should define a clear role for their Council in supporting fundraising efforts.</p>	<p>Agree.</p> <p>12.1 GGGI has started to work on strengthening resource mobilization efforts, particularly in relation to increasing and strengthening earmarked funding efforts.</p> <p>Until recently, the Office of the Director General (ODG) was running all resource mobilization activities from the headquarters. GGGI is now moving to a more decentralized model of resource mobilization, with country teams responsible for resource mobilization efforts to deliver their CPFs. ODG will support resource mobilization efforts through coordination and capacity building.</p> <p>GGGI has not sought funding from private sector and HNIs in the past, therefore the organization is not currently geared in that direction. Management recognizes the need to explore alternative sources of funding and have already started to assess opportunities. GGGI will develop an approach to targeting private sector funding going forward, with careful consideration of conflicts of interests.</p> <p><b>Timeline:</b> Table RM Action Plan by April 2018</p>
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13	<p><b>GGGI should invest in partnerships with organizations that recognize its added value and comparative advantage.</b></p> <p>GGGI has initiated formal and informal partnerships. It has not crystallized the opportunity to collaborate systematically with specific partners, especially in GGGI's role in project preparation. For partnership to be successful GGGI needs to clearly define its role and avoid the pitfall of being perceived as providing "free consulting". Furthermore, GGGI should leverage its status as UN observer to influence the green growth debate, at the global level and also to forge partnerships.</p>	<p>Agree.</p> <p>13.1 The Management Team agrees that GGGI must improve efforts to obtain co-funding or payment for services. This is closely linked to the drive to increase earmarked funding. In cases where GGGI is the preferred provider of services relating to green growth, countries should fund or co-fund depending on their level of resources.</p> <p>However, it must be recognized that GGGI is not equivalent to a consulting firm. As an international organization, it is important to remain neutral and independent.</p> <p><b>Timeline:</b> Table RM Action Plan by April 2018</p> <p>13.2 Thus far, GGGI's Observer Status has enabled participation. GGGI has a presence at the Conference Of the Parties (COP) every year, and has sponsored initiatives at the World Economic Forum (WEF) and Davos.</p> <p>GGGI is making a conscious effort to influence the green growth debate through a Climate diplomacy initiative, and initial work with Article 6. TL will be tasked with developing a body of evidence on green growth stories to stimulate discussion.</p> <p>GGGI will utilize every opportunity, such as the High-Level Political Forum, or other UN meetings to advocate green growth approaches to UN representatives. These could take the form of side-events, policy briefs, individual briefings, participation in drafting committees and other such high profile opportunities.</p>
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14	<p><b>GGGI should recognize that some countries have greater potential to transition to green growth and should be given additional support and fast-track status.</b></p> <p>In line with above recommendations regarding innovation and entrepreneurial behaviour, GGGI should recognize countries that meet the criteria for fast-track status and provide for additional resources through a global “challenge fund”.</p>	<p>Agree.</p> <p>14.1 GGGI’s management recognizes that in cases where countries are leaders in green growth the organization could enter at the ‘right hand side’ of the value chain.</p> <p>There is a sound argument in allocating additional resources to countries with strong commitment to green growth, while GGGI will continue to engage with all Member countries and countries of operation.</p> <p>There is a strong interest to further explore the “Challenge fund” concept, whereby GGGI could make additional resources available for ‘fast track’ countries. In this way, lagging countries could see such additionality as an incentive to expedite their green growth agendas and Member countries that are ready for immediate implementation of priority green growth activities can access resources.</p> <p><b>Timeline:</b> April 2018</p>

<p><b>15 GGGI should strengthen its RBM with reference feedback mechanism from project monitoring and evaluation to project design.</b></p> <p>GGGI should systematically capture lessons learned during project implementation and feed these into future project design. Periodically these lessons should be synthesized into guidance notes for project cycle management.</p> <p>With increased attention to green investment and GGGI's stated intention to not go beyond financial closure it is recommended that GGGI enters into some form of agreement with project implementing agencies on monitoring and feedback of results during and after implementation. GGGI should seek agreement from project funding bodies that staff who are involved in investment project design preparation should be allowed to participate in supervision missions and/or post-evaluation missions as part of staff capacity building.</p> <p>This mechanism should be defined in GGGI's Evaluation and Monitoring policy. This may also include guidance for project, sectoral and thematic evaluations.</p>	<p>Agree.</p> <p>15.1 GGGI's PCM Manual sets out the mandatory internal processes, quality standards and responsibilities for managing projects throughout each stage of the life cycle. Implementation and review of projects is also governed by procedures in the PCM Manual relating to the monitoring, evaluation and reporting for all projects.</p> <p>GGGI is in the process of preparing an Evaluation Policy outlining our proposed approach to key issues such as governance arrangements, principles and standards, the types of evaluation products/services and implementation approaches, publishing and communication activities and mechanisms to facilitate the implementation of recommendations.</p> <p><b>Timeline:</b> End 2017</p> <p>15.2 The recommendation to include a mechanism for monitoring and feedback of results of green investment beyond financial closure will be considered and management will undertake scoping analysis for a mechanism.</p> <p><b>Timeline:</b> April 2018</p>
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<b>STRATEGIC PLAN</b>	
16 <b>Mid-term revision of Strategic Plan is recommended.</b>	<p>Some of the areas identified for inclusion in the revision, <i>inter alia</i>, are:</p> <ul style="list-style-type: none"> <li>a) Incorporation of the proposed six additional outcomes;</li> <li>b) Inclusion of updated CRF and grandfathering of earlier CRF and existing project log frames;</li> <li>c) Intended role of TL;</li> <li>d) Impact statement reflects global ambition as in vision (beyond member countries);</li> <li>e) Strengthen direction/clarity on partnership; and</li> <li>f) Differentiation of various aspects of implementation.</li> </ul> <p>Agree.</p> <p>16.1 In the first draft revised Strategic Plan: six updated strategic outcomes have been included, the intended role of TL has been described and the direction and clarity on Strategic Engagement and partnerships has been strengthened.</p> <p>An updated CRF will be developed over the coming months and included in the final version of the revised Strategic Plan. Management agrees that the earlier CRF and existing project log frames should be grandfathered.</p> <p>The revision of the Impact Statement to reflect global ambition beyond Member countries makes sense and will be considered.</p> <p>The Strategic Plan will include a clearer definition of GGGI's role in implementation on policy projects vs. investment (bankable) projects in the next revision of the Strategic Plan.</p> <p><b>Timeline:</b> October 2017</p>