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**Global Green Growth Institute**

Council of the GGGI

Written Procedure

20 November 2014

**Decision on GGGI focal point in Europe**

The Council,

*Recalling* the Council's mandate in its fifth session to the Director-General to explore the option of maintaining a GGGI focal point in Europe and to present a proposal in this regard to the Council;

*Taking note* of the Council's approval of the Strategic Plan 2015-2020, as annexed in C/6/DC/4;

*Further taking note* of the Council's approval of the Work Program and Budget 2015-2016, as annexed in C/6/DC/5;

*Recognizing* the importance of implementing GGGI's new Strategic Plan 2015-2020 and the Work Program and Budget 2015-2016 through the delivery of practical results on the ground, particularly in the least developed countries;

*Further recognizing* the need for GGGI to access a financial ecosystem and network in order to accomplish these objectives in a cost-effective and efficient way;

*Further recognizing* that a focal point in London would enable GGGI to connect efficiently with institutions involved in sustainable development finance; and,

*Further recognizing* the benefits of closer engagement with current and prospective European donors;

*Acting pursuant* to the Council's decision on the European focal point, C/6/DC/7;

1. *Takes note* of the overview of the proposed European focal point attached in Annex 1 and the discussion paper on GGGI European focal point, C/6/3;

2. *Authorizes* the creation of GGGI's European focal point in London, with the scope and operational structure proposed in Annex 1 and in the discussion paper, C/6/3;

3. *Requests* the Director-General, for the purposes of cost efficiency and to ensure continued focus on the needs of developing countries, to limit GGGI's operations in Europe to the new focal point in London;

4. *Affirms* its intention that GGGI's European focal point in London focus on meeting the needs of developing and emerging economies, including the least developed countries; and

5. *Confirms* its position that any expansion in scope or size of GGGI's presence in Europe be presented to the Council or the Assembly for decision.

## Overview of GGGI focal point in Europe

GGGI proposes to locate its European focal point in London for the following reasons:

**First, GGGI has a new strategy. The European focal point is vital to delivery of the new strategy.** GGGI's new Strategic Plan 2015-2020 places emphasis on in-country delivery, focus on member countries and in particular least developed countries, and development of green growth investments. This objective will be accomplished through GGGI's new Green Investment Advisory Services (GIAS) as part of the new Knowledge Solutions Division.

GGGI's ability to efficiently deliver in-country Green Investment Advisory Services requires having a physical presence in Europe. This presence, a so-called focal point, will be composed of three specialists, as described in the accompanying discussion paper (C/6/3). London is considered the most effective and efficient location for the focal point as it will enable the focal point team to:

- Connect efficiently with the climate, development and infrastructure finance ecosystem. This ecosystem of institutions, individuals and networks is globally centered in London;
- Efficiently access developing countries, including in Sub-Saharan Africa, due to the logistical location and time-zones;
- Recruit specialists in the above areas who would focus on identifying needs, developing GIAS services, and delivering these services to meet in-country program needs.

**Second, GGGI sees the European focal point as a way to deliver its strategy at the lowest cost. GGGI will actively seek ways to minimize the costs of the focal point.** The Work Program and Budget (WPB) 2015-2016 has programmed USD 120,000 for operational cost for presence in London. This is much lower than the USD 553,000 budgeted in previous budget, with the difference going to in-country delivery in member countries, including the least developed countries. GGGI is based in its headquarters in Seoul, but it is substantially more expensive and carbon-intensive to deliver services as described in the discussion paper from Seoul due to the air travel distances, time zone differences and associated opportunity costs (i.e., staff time lost due to greater travel time). The cost of the GGGI staff positions identified for the European focal point is estimated at USD 750,000 and is held within the budgeted head-count ceiling under the WPB 2015-16, approved by the Council (C/6/DC/5). Under the present decision, this number of staff will be limited to three professional staff members, as described in the accompanying discussion paper.

**Third, the European focal point will deliver a set of specialized services that are particularly efficiently delivered in and from London.** Specifically, GGGI's focal point will:

- Generate a high quality infrastructure investment pipeline for GGGI's partner countries, including developing countries in Africa;
- Support project preparation in compliance with internationally recognized norms and standards for pre-feasibility and feasibility studies; and,
- Mobilizing project preparation facilities, allowing for early stage risk sharing.

In addition, the London focal point will help facilitate engagement with European based donors and development finance institutions, as described in the discussion paper (C/6/3).