General Distribution **C/2020/DC/4**

Global Green Growth Institute
The Council
Written Procedure
May 29, 2020

Decision on the FY2019 Audited Financial Statements

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 organization;

Acting pursuant to Article 8(5)(d) of the Agreement on the Establishment of the Global Green Growth Institute, regarding the approval by the Council of audited financial statements; and

Taking note of the recommendation of the Management and Program Sub-Committee that the Council approve the FY2019 Audited Financial Statements;

Decides to approve the FY2019 Audited Financial Statements as attached as Annex 1; and

Takes note of the management letter submitted by the external auditing firm, as attached as Annex 2.

/End

Annex:
1. FY2019 Audited Financial Statements
2. Management Letter

Global Green Growth Institute

Financial Statements

December 31, 2019

Global Green Growth Institute

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Independent Auditor's Report

To the Board of Directors of Global Green Growth Institute

Opinion

We have audited the accompanying financial statements of Global Green Growth Institute ("GGGI"), which comprise the statement of financial position as at December 31, 2019, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of GGGI as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of GGGI in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matters

The financial statements of GGGI for the year ended December 31, 2018, were audited by another auditor who expressed an unmodified opinion on those statements on March 28, 2019.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing GGGI's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate GGGI or to cease operations.

Those charged with governance are responsible for overseeing GGGI's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on GGGI's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause GGGI to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Samil PricewaterhouseCoopers

March 31, 2020

Seoul, Korea

This report is effective as at March 31, 2020, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

Global Green Growth Institute

Statements of Financial Position

For the years ended December 31, 2019 and 2018

(In USD)	*Note*		2019	2018
Assets				
Cash and cash equivalents	*4, 5*	$	16,057,607	18,601,689
Short-term financial assets	*5*		15,174,706	10,161,564
Other receivables	*5*		10,155	7,698
Accrued income	*5*		1,275,477	1,256,412
Other current assets	*9*		4,036,297	6,692,398
Total current assets			36,554,242	36,719,761
Property and equipment, net	*6*		4,958,931	1,111,420
Intangible assets	*7*		1,132,845	1,212,517
Long-term financial assets	*5*		686,333	694,018
Total non-current assets			6,778,109	3,017,955
Total assets		$	43,332,351	39,737,716
Liabilities				
Other payables	*5*	$	7,769,117	8,302,622
Current lease liabilities	*5, 17*		1,138,136	-
Deferred income	*16*		12,932,554	14,042,144
Total current liabilities			21,839,807	22,344,766
Non-current lease liabilities	*5, 17*		2,549,122	-
Other non-current liabilities	*9*		361,643	-
Total non-current liabilities			2,910,765	-
Total liabilities		$	24,750,572	22,344,766
Reserves				
Working capital	*10*	$	15,000,000	10,000,000
Retained surplus	*10*		3,581,779	7,392,950
Total reserves			18,581,779	17,392,950
Total liabilities and equity		$	43,332,351	39,737,716

The above statements of financial position should be read in conjunction with the accompanying notes.

Statements of Comprehensive Income (Loss)
For the years ended December 31, 2019 and 2018

(In USD)	*Note*		2019	2018
Operating Income				
Core funds	11	$	32,723,669	24,151,084
Earmarked funds	11		14,850,598	11,258,853
Total operating income			47,574,267	35,409,937
Operating expenditures	12		46,598,488	49,678,829
Net surplus(deficit) from operating activities			975,779	(14,268,892)
Finance income	5, 13		509,416	328,178
Finance costs	5, 13		(310,407)	(194,192)
Other gains (loss)	14		14,041	216,043
Total surplus(deficit) for the year		$	1,188,829	(13,918,863)

The above statements of comprehensive income (loss) should be read in conjunction with the accompanying notes.

(In USD)	***Note***		**Working Capital**	**Retained surplus**	**Total reserves**
Balance at January 1, 2018		$	10,000,000	21,311,813	31,311,813
Net deficit for the year			-	(13,918,863)	(13,918,863)
Total deficit			-	(13,918,863)	(13,918,863)
Balance at December 31, 2018		$	10,000,000	7,392,950	17,392,950
Balance at January 1, 2019		$	10,000,000	7,392,950	17,392,950
Net surplus for the year			-	1,188,829	1,188,829
Total surplus			-	1,188,829	1,188,829
Working capital Appropriation	10		5,000,000	(5,000,000)	-
Total Appropriation			5,000,000	(5,000,000)	-
Balance at December 31, 2019		$	15,000,000	3,581,779	18,581,779

The above statements of changes in reserves should be read in conjunction with the accompanying notes.

Global Green Growth Institute

Statements of Cash Flows

For the years ended December 31, 2019 and 2018

(In USD)		2019	2018
Cash flows from operating activities			
Net surplus(deficit) for the year	$	1,188,829	(13,918,863)
Adjustments for:			
Rental expenses		-	54,566
Depreciation		1,697,067	402,576
Amortization		920,189	919,260
Bad debt expense		-	193
Losses on disposal of property and equipment		-	1,613
Finance expenses		210,862	148,198
Finance income		(410,300)	(294,291)
Gains on disposal of property and equipment		-	(5,674)
Changes in assets and liabilities:			
Other receivables		(2,457)	(6,511)
Accrued income		(19,065)	(502,972)
Other current assets		2,556,537	(2,534,337)
Other payables		(586,055)	3,478,106
Deferred income		(1,529,423)	9,555,549
Other non current liabilities		-	-
Cash generated from operations		**4,026,184**	**(2,702,588)**
Interest received		224,768	58,715
Net cash inflow(outflow) from operating activities		**4,250,952**	**(2,643,873)**
Cash flows from investing activities			
Increase in leasehold deposits		(5,367)	(13,280)
Acquisition of property and equipment		(107,172)	(1,104,281)
Acquisition of intangible assets		(343,849)	(707,837)
Decrease of short-term financial instruments		(10,181,906)	9,267,511
Disposal of property and equipment		-	5,736
Decrease in leasehold deposits		9,188	58,897
Increase of short-term financial instruments		5,162,699	-
Net cash inflow(outflow) from investing activities		**(5,466,406)**	**7,506,746**
Cash flows from financing activities			
Repayment of lease liablities		(1,362,637)	-
Net cash outflows from financing activities		**(1,362,637)**	**-**
Effects of exchange rate changes on cash and cash equivalents		34,010	(60,442)
Net increase (decrease) in cash and cash equivalents		(2,544,082)	4,802,430
Cash and cash equivalents at beginning		18,601,689	13,799,259
Cash and cash equivalents at end of year	$	**16,057,607**	**18,601,689**

The above statements of cash flows should be read in conjunction with the accompanying notes.

1. Reporting Entity

Established as an international intergovernmental organization in 2012 at the Rio+20 United Nations Conference on Sustainable Development, the Global Green Growth Institute (GGGI) is dedicated to supporting and promoting strong, inclusive and sustainable economic growth in developing countries and emerging economies. GGGI Members currently include Angola, Australia, Burkina Faso, Cambodia, Costa Rica, Denmark, Ecuador, Ethiopia, Fiji, Guyana, Hungary, Indonesia, Jordan, Kiribati, Laos, Mexico, Mongolia, Norway, Organisation of Eastern Caribbean States, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, Republic of Korea, Rwanda, Senegal, Sri Lanka, Thailand, Tonga, Uganda, United Arab Emirates, the United Kingdom, Uzbekistan, Vanuatu and Vietnam, and it is in the process of expanding its membership. GGGI works with partners in the public and private sector in developing and emerging countries around the world to put green growth at the heart of economic planning. GGGI has its headquarters in Seoul, Republic of Korea, and conducts operations in several countries in Asia, the Pacific, Latin America, the Middle East and Africa.

2. Basis of Preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currencies

These financial statements are presented in US dollar; which is GGGI's functional currency of the primary economic environment in which GGGI operates.

(d) Use of estimates and judgments

The preparation of the financial statements in accordance with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following note.

Note **6** - Property and Equipment

2. Basis of Preparation (Continued)

(d) Use of estimates and judgments (continued)

GGGI reviews the estimated useful lives of property and equipment at the end of each annual reporting period. Management's assumptions could affect the determination of estimated useful lives.

(e) Changes in Accounting Policies

GGGI has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2019.

(i) Enactment of IFRS 1116 Leases

Under the new standard, with implementation of a single lease model, lessee is required to recognize assets and liabilities for all lease which lease term is over 12 months and underlying assets are not low value assets. A lessee is required to recognize a right-of-use asset and a lease liability representing its obligation to make lease payments.

With implementation of IFRS 1116 Lease, GGGI has changed accounting policy. GGGI has adopted IFRS 1116 retrospectively, as permitted under the specific transitional provisions in the standard and recognized the cumulative impact of initially applying the standard as at January 1, 2019, the date of initial application. GGGI has not restated comparatives for the 2018 reporting period. The impact of the adoption of the leasing standard and the new accounting policies are disclosed in Note 17.

3. Significant Accounting Policies

The significant accounting policies applied by GGGI in preparation of its financial statements are included below. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and are used by GGGI in management of its short-term commitments.

(b) Non-derivative financial assets

Recognition and initial measurement
GGGI recognizes accounts receivable initially when they are originated and subsequently measures them at amortized cost. GGGI recognizes other financial assets when GGGI becomes a party to the contractual provisions of the instrument.

A financial asset (other than a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value and, for an item not at FVTPL, transaction costs that is directly attributable to its acquisition. An account receivable without a significant financing component is measured at its transaction price.

3. Significant Accounting Policies (Continued)

(b) Non-derivative financial assets (Continued)

Classification and subsequent measurement

On initial recognition, a financial asset is classified as amortized cost, FVOCI-debt investment, FVOCI-equity investment or FVTPL. A financial asset is not reclassified without a change of the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset which changes its business model is reclassified on a first day of the first reporting period after its change.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL.
- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and - Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial portfolio which satisfies the definition of short-term trading or is evaluated its performance based on the fair value is measured at FVTPL.

The flowing accounting policies apply to the subsequent measurement of financial assets.

	Subsequent measurement
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

3. Significant Accounting Policies (Continued)

(b) Non-derivative financial assets (Continued)

Derecognition of financial assets
GGGI derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. If GGGI neither transfers nor retains substantially all the risks and rewards of ownership of the financial assets, GGGI determines whether it has retained control of the financial asset. If GGGI has not retained control, it derecognizes the financial asset and if GGGI has retained control, it continues to recognize the financial asset to the extent of its continuing involvement in the financial asset.

If GGGI retains substantially all the risks and rewards of ownership of the transferred financial assets, GGGI continues to recognize the transferred financial assets and recognizes financial liabilities for the consideration received.

Offsetting between financial assets and financial liabilities
Financial assets and financial liabilities are offset and the net amount is presented in the separate statement of financial position only when GGGI currently has a legally enforceable right to offset the recognized amounts, and there is the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

GGGI classifies the non-derivative financial assets which are fixed or determinable payments that are not quoted in an active market as loans and receivables. GGGI recognizes financial assets in the statement of financial position when GGGI becomes a party to the contractual provisions of the instrument.

Upon initial recognition, non-derivative financial assets are measured at their fair value plus, transaction costs that are directly attributable to the asset's acquisition or issuance.

GGGI derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by GGGI is recognized as a separate asset or liability.

If GGGI retains substantially all the risks and rewards of ownership of the transferred financial assets, GGGI continues to recognize the transferred financial assets and recognizes financial liabilities for the consideration received.

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position only when GGGI currently has a legally enforceable right to offset the recognized amounts, and there is the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

3. Significant Accounting Policies (Continued)

(c) Impairment of financial assets

Financial instruments and contract assets
GGGI measures loss allowances for the following financial assets at an amount equal to Expected credit losses ("ECLs"):
- Financial assets at amortized cost;

GGGI has elected to measure loss allowances for trade receivables at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, GGGI considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on GGGI's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, GGGI assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired, when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets and for debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset.

Write-off
GGGI individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. GGGI expects no significant recovery from the amount written off. However, financial assets that are written off could be still be subject to enforcement activities in order to comply with GGGI's procedures for recovery of amounts due.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. However, losses expected as a result of future events, regardless of likelihood, are not recognized.

3. Significant Accounting Policies (Continued)

(c) Impairment of financial assets (Continued)

In addition, for an investment in a security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

If financial assets have objective evidence that they are impaired, impairment losses should be measured and recognized.

(d) Property and equipment

Property and equipment are measured initially at cost and after initial recognition. The cost of property and equipment includes expenditure arising directly from the construction or acquisition of the asset, any costs directly attributable to bringing the asset to the location and condition necessary for them to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located.

Subsequent to initial recognition, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent costs are recognized in the carrying amount of property, plant and equipment at cost or, if appropriate, as separate items if it is probable that future economic benefits associated with the item will flow to GGGI and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing are recognized in profit or loss as incurred.

Property and equipment are depreciated on a straight-line basis over the estimated useful lives of each part of an item of property and equipment.

The estimated useful lives for the current period are as follows:

	Useful lives (in months)
Office equipment	36 ~ 60
Leasehold improvement	24
Vehicle	60

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting date and adjusted, if appropriate. The change is accounted for as a change in an accounting estimate.

3. Significant Accounting Policies (Continued)

(e) Intangible assets

Intangible assets consist of purchased software licenses, software and any development cost for the software. Intangible assets are amortized on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The residual value of intangible assets is assumed to be zero.

The estimated useful lives for the current period are same as the useful lives of IT equipment.

Amortization periods and the amortization methods for intangible assets with finite useful lives are reviewed at the end of each reporting period. Changes are accounted for as changes in accounting estimates.

(f) Impairment of non-financial assets

GGGI reviews at the end of the reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

GGGI estimates the recoverable amount of an individual asset, if it is impossible to measure the individual recoverable amount of an asset, then GGGI estimates the recoverable amount of cash-generating unit ("CGU"). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The value in use is estimated by applying a pre-tax discount rate that reflect current market assessments of the time value of money and the risks specific to the asset or CGU for which estimated future cash flows have not been adjusted, to the estimated future cash flows expected to be generated by the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Non-derivative financial liabilities

GGGI recognizes financial liabilities in the statement of financial position when GGGI becomes a party to the contractual provisions of the financial liability.

At the date of initial recognition, financial liabilities are measured at fair value minus transaction costs that are directly attributable to the acquisition. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

GGGI derecognizes a financial liability from the statement of financial position when it is extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

3. Significant Accounting Policies (Continued)

(h) Employee benefits

For defined contribution plans, when an employee has rendered service to GGGI during a period, GGGI recognizes the contribution payable to a defined contribution plan in exchange for that service as an accrued expense, after deducting any contributions already paid. If the contributions already paid exceed the contribution due for service before the end of the reporting period, GGGI recognizes that excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

(i) Foreign currency translation

Foreign currency transactions are initially recorded using the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. At the end of each reporting period, foreign currency monetary items are translated using the closing rate. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period are recognized in profit or loss in the period in which they arise.

(j) Operating income recognition

(i) Core funds (Un-earmarked funds)

Core funds are funds available for general use by GGGI and include all core contributions and all other funds provided that are not earmarked funds. All core funds are credited to the General Fund. With regards to core funds, GGGI recognizes an asset (cash) and operating income when GGGI receive the contribution to be provided.

(ii) Earmarked funds

Earmarked funds are funds contributed to GGGI to finance specific activities that are identified in the agreement between GGGI and the donor. Earmarked funds can only be used for the purposes for which they are intended as set out in the respective donor agreement or as otherwise specifically agreed to by the donor.

For earmarked funds, GGGI recognizes an asset (cash or receivables) and liability (deferred income) on receipt of the firm commitment of the contribution to be provided (unless the agreement specifies a later contribution start date). The liability is reduced, and operating income is recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to the surveys of work performed. However, when the outcome of the transaction involving the rendering of services cannot be estimated reliably, operating income shall be recognized only to the extent of the expenses recognized that are recoverable.

3. Significant Accounting Policies (Continued)

(k) Finance income and finance costs

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable

(l) Lease

As explained in Note 2(e) above, GGGI has changed its accounting policy for leases. The impact of the new accounting policies is disclosed in Note 17.

As at December 31, 2018, leases of offices, vehicles and office equipment where GGGI, as lessee, had no substantial risks and rewards of ownership were classified as operating leases. Leases in which a significant portion of the risks and rewards of ownership were not transferred to GGGI as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

As lessee

GGGI leases various offices, vehicles and office equipment's. Lease contracts are typically made for fixed periods of 1 to 5 years but may have extension options as described in (b) below. Contracts may contain both lease and non-lease components. GGGI allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, leases of offices, vehicles and office equipment's were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From January 1, 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by GGGI.

GGGI determines the lease term as the non-cancellable period of a lease, together with both (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. When the lessee and the lessor each has the right to terminate the lease without permission from the other party, GGGI should consider a termination penalty in determining the period for which the contract is enforceable.

3. Significant Accounting Policies (Continued)

(l) Lease (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by GGGI (the lessee) under residual value guarantees
- The exercise price of a purchase option if GGGI (the lessee) is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects GGGI (the lessee) exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, GGGI:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by GGGI, which does not have recent third-party financing, and
- makes adjustments specific to the lease, for example term, country, currency and security.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If GGGI is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

3. Significant Accounting Policies (Continued)

(l) Lease (Continued)

Payments associated with short-term leases of offices, vehicles and office equipment's and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment's.

(a) Variable lease payments
Some vehicle and office equipment's leases contain variable payment terms that are linked to usage of assets.

(b) Extension and termination options
Extension and termination options are included in a number of property and equipment leases across GGGI. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable by mutual agreement.

(m) Financial risk management

Financial risk factors

GGGI is exposed to a variety of financial risks derived from events in the external financial markets: market risk (including changes in currency exchange rates); liquidity risk; and interest rate risk. GGGI seeks to actively minimize potential adverse effects arising from these exposures.

The Director General has overall responsibility to maintain a risk-management system to manage and control financial and other types of risks including the identification, evaluation, and measurement of possible impact on GGGI, and the selection and maintenance of various solutions to mitigate risks.

Market risk

- Currency risk
  Currency risk primarily arises on voluntary contributions receivable in currencies other than United States Dollar. The main currencies giving rise to foreign currency risk are the Euro, Pound Sterling, Norwegian Kroner and Danish Kroner. At present, to minimize the foreign exchange exposure, GGGI converts its contributions receivable in other currencies immediately to USD upon the receipt of contribution.

- Interest rate risk
  There is no significant short-term exposure to changes in interest rates, as cash and cash equivalents are held as cash in hand and there are no interest-bearing liabilities.

- Liquidity risk
  Liquidity risk is minimized by maintaining sufficient funds as cash in hand to meet short-term liabilities.

(n) Asset Retired Obligation

In compliance with IAS 37 Provisions, Contingent liabilities and Contingent Assets, GGGI has recognized assets and liabilities in relation to dismantling cost of the current office rent. Provisions are measured at the best estimate (including risks and uncertainties) of the expenditure required to settle the present obligation and reflects the present value of expenditures required to settle the obligation where the time value of money is material.

From January 1, 2019, discounted amount of office dismantling costs are recognized as an asset and a corresponding liability, the risk free rate was applied for the computation. The finance cost is charged to profit or loss over the current office rental contract as to produce a constant periodic rate of interest on the remaining balance of the liability for each period, and the asset is diminished at the basis of straight line depreciation over the contractual period.

(o) In kind contribution

In compliance with IAS 20 Disclosure of government grants, GGGI has recognized in kind contribution income as a core revenue against non-monetary grants of which value was reasonably measured, and the depreciation has been charged as an expense in the profit and loss over the agreement period. Based on IFRS13 Fair value measurement, the market price of government grants has been discounted by using GGGI's incremental borrowing rate. At the beginning of the year, its corresponding value of contractual rights was recognized as an asset and the deferred liabilities, the revenue reduces the deferred liabilities and the related unamortized amount is presented as a carrying value in the balance sheet.

4. Cash and Cash Equivalents

(a) Cash and cash equivalents as of December 31, 2019 and 2018 are summarized as follows:

(In USD)		2019	2018
Cash in banks	$	16,052,643	18,599,572
Cash on hand		4,964	2,117
	$	16,057,607	18,601,689

(b) Cash and cash equivalents denominated in foreign currencies as of December 31, 2019 and 2018 are as follows:

(In USD, except for other foreign currency)

	2019			2018		
Foreign currency	Foreign currency amount		Translation into USD	Foreign currency amount		Translation into USD
AED	272,522	$	74,207	301,057	$	81,978
EUR	21,157		23,696	42,369		48,502
KRW	155,651,023		134,605	518,531,682		464,812
IDR	111,106,756		7,984	132,650,856		9,113
ETB	56,130		1,773	51,577		1,838
GBP	-		-	1,430		1,817
KHR	6,700		2	26,300		7
PHP	20,633		407	3,057		58
XOF	195,244		333	2,930		5
VND	94,000		4	454,000		20
MNT	110,944		42	-		-
RWF	968,987		1,043	4,063,214		4,721
JOD	62		88	-		-
PGK	578		173	-		-
COP	115,660		35	-		-
		$	244,392		$	612,871

(c) Currency exchange rates as of December 31, 2019 and 2018 are as follows:

(In USD)		31-Dec-19		31-Dec-18
Currency		Ending exchange rate		Ending exchange rate
AED	$	0.272	$	0.272
EUR		1.120		1.145
KRW		0.001		0.001
IDR		0.0000719		0.0000687
ETB		0.032		0.036
GBP		1.312		1.270
KHR		0.0002		0.0003
PHP		0.020		0.019
XOF		0.002		0.002
VND		0.000043		0.000043
MNT		0.00038		0.00038
RWF		0.001		0.001
JOD		1.410		-
PGK		0.29976		-
COP		0.00030		-
UGX		0.00028		-

5. Financial Instruments

(a) Categories of financial assets as of December 31, 2019 and 2018 are summarized as follows:

		2019	2018
(In USD)		Financial assets measured at amortized cost	Financial assets measured at amortized cost
Current financial assets			
Cash and cash equivalents	$	16,057,607	18,601,689
Short-term financial instruments		15,142,673	10,123,466
Other receivables		10,155	7,698
Current portion of Leasehold deposits		32,033	38,098
Accrued income(*)		1,275,477	1,256,412
Sub-total	$	32,517,945	30,027,363
Non-current financial assets			
Leasehold deposits	$	686,333	694,018
Sub-total	$	686,333	694,018
	$	33,204,278	30,721,381

(*) Accrued income mainly consists of earmarked project income earned but yet to be received from the following donors: USD 631,974 from United Arab Emirates, USD 181,047 from Global Climate Fund, USD 30,854 from the Federal Ministry of the Environment , Nature Conservation, and Nuclear Safety(BMU), USD 500 from the Danish Ministry of Foreign Affairs, USD 31,357 from UN Environment, USD 40,337 from European Union, USD 29,735 from MAVA Foundation, USD 136,368 from UK Department for Business, Energy and Industrial Strategy and USD 8,513 from World Resources Institute. It also includes USD 184,794 of unrealized interest on cash and cash equivalents invested in accordance with the investment framework of GGGI as at the reporting date.

5. Financial Instruments (Continued)

(b) Categories of financial liabilities as of December 31, 2019 and 2018 are summarized as follows:

(In USD)		2019 Financial liabilities measured at amortized cost	2018 Financial liabilities measured at amortized cost
Current financial liabilities			
Other payables(*)	$	7,769,117	8,302,622
Current Lease liabilities		1,138,136	-
Sub-total	$	8,907,253	8,302,622
Non-current financial assets			
Non-current Lease liabilities	$	2,549,122	-
Sub-total	$	2,549,122	-
	$	11,456,375	8,302,622

(*)Other payables represent amounts due to donors, vendors, employees and others for support and/or services received prior to year-end, but not paid for as at the reporting date. This includes accruals for employee severance benefits of USD 99,800 succeeded from the former K-GGGI(Korean Organization), payables to employees and consultants of USD 1,483,652 (which includes demobilization accrual related to USD 1,263,578), unused leave accrual of USD 635,655 and payables to suppliers of USD 5,550,008 as at December 31, 2019.

(c) Finance income and cost by categories

(i) Details of finance income and cost by categories for the year ended December 31, 2019 are summarized as follows:

(In USD)		Financial assets measured at amortized cost	Financial liabilities measured at amortized cost	Total
Interest income	$	270,363	-	270,363
Interest income related to Deposit		14,023	-	14,023
Gain on foreign currency transactions		1,546	73,623	75,170
Gain on foreign currency translations		12,502	137,357	149,860
	$	298,435	210,981	509,416

5. Financial Instruments (Continued)

(ii) Details of finance income by categories for the year ended December 31, 2018 are summarized as follows:

(In USD)		Financial assets measured at amortized cost	Financial liabilities measured at amortized cost	Total
Interest income	$	219,606	-	219,606
Interest income related to Deposit		32,873	-	32,873
Gain on foreign currency transactions		33,887	-	33,887
Gain on foreign currency translations		25,568	16,244	41,812
	$	311,934	16,244	328,178

(iii) Details of finance costs by categories for the year ended December 31, 2019 are summarized as follows:

(In USD)		Financial assets measured at amortized cost	Financial liabilities measured at amortized cost	Total
Interest cost on lease liabilities	$	-	172,671	172,671
Loss on foreign currency transactions		6,530	46,645	53,175
Loss on foreign currency translations		70,221	9,173	79,393
	$	76,750	228,489	305,240

(iv) Details of finance costs by categories for the year ended December 31, 2018 are summarized as follows:

(In USD)		Financial assets measured at amortized cost	Financial liabilities measured at amortized cost	Total
Interest cost on lease liabilities	$	-	-	-
Loss on foreign currency transactions		-	45,994	45,994
Loss on foreign currency translations		123,787	24,411	148,198
	$	123,787	70,405	194,192

6. Property and Equipment

(a) Details of property and equipment as of December 31, 2019 and 2018 are as follows:

(i) December 31, 2019

(In USD)		Acquisition cost	Accumulated depreciation	Carrying amount
Office equipment	$	2,103,088	(1,826,219)	276,869
Leasehold improvements		2,180,804	(1,652,832)	527,972
Vehicle		98,653	(62,614)	36,039
Right-of-Use assets(*1)		5,377,202	(1,259,151)	4,118,051
	$	9,759,747	(4,800,816)	4,958,931

(ii) December 31, 2018

(In USD)		Acquisition cost	Accumulated depreciation	Carrying amount
Office equipment	$	2,056,313	(1,613,865)	442,448
Leasehold improvements		2,147,833	(1,520,445)	627,388
Vehicle		98,653	(57,069)	41,584
	$	4,302,799	(3,191,379)	1,111,420

(b) Changes in property and equipment for the years ended December 31, 2019 and 2018 are summarized as follows:

(i) December 31, 2019

(In USD)		Office equipment	Leasehold improvements	Vehicle	Right-of-Use assets	Total
Cost:						
Balance at January 1, 2019		**2,056,313**	**2,147,833**	**98,653**	**-**	**4,302,799**
Adjustment for change in accounting policy	$	-	-	-	5,437,407	5,437,407
Restated balance at January 1, 2019		2,056,313	2,147,833	**98,653**	**5,437,407**	**9,740,206**
Additions(*2)	$	74,201	32,971	-	-	107,172
Disposal(*3)		(27,426)	-	-	-	(27,426)
Contract termination		-	-	-	(60,205)	(60,205)
Balance at December 31, 2019	$	2,103,088	2,180,804	98,653	5,377,202	9,759,747
Accumulated depreciation:						
Balance at January 1, 2019		**1,613,865**	**1,520,445**	**57,069**	**-**	**3,191,379**
Depreciation	$	239,780	132,387	5,545	1,319,356	1,697,068
Disposal		(27,426)	-	-	-	(27,426)
Contract termination		-	-	-	(60,205)	(60,205)
Balance at December 31, 2019	$	1,826,219	1,652,832	62,614	1,259,151	4,800,816
Carrying amount:						
Balance at January 1, 2019	$	442,448	627,388	41,584	-	1,111,420
Restated balance at January 1, 2019	$	442,448	627,388	41,584	5,437,407	6,548,827
Balance at December 31, 2019	$	276,869	527,972	36,039	4,118,051	4,958,931

(*1) On adpotion of IFRS 16, the right-of-use assets for property and vehicle leases are included.
(*2) The acquisition of assets in 2019 includes purchase of new laptops, office equipment and furninture.
(*3) GGGI has disposed laptops which are no longer in use and unlikely to be used in future.

6. Property and Equipment (Continued)

(b) Changes in property and equipment for the years ended December 31, 2019 and 2018 are summarized as follows, continued:

(In USD)		Office equipment	Leasehold improvements	Vehicle	Total
Cost:					
Balance at January 1, 2018	$	1,811,188	1,918,778	84,846	3,814,812
Additions		395,694	667,003	41,584	1,104,281
Disposal		-	-	(27,777)	(27,777)
Retirement		(150,569)	(437,948)	-	(588,517)
Balance at December 31, 2018	$	2,056,313	2,147,833	98,653	4,302,799
Accumulated depreciation:					
Balance at January 1, 2018	$	1,515,798	1,808,028	79,597	3,403,423
Depreciation		246,961	150,365	5,249	402,575
Disposal		-	-	(27,777)	(27,777)
Retirement		(148,894)	(437,948)	-	(586,842)
Balance at December 31, 2018	$	1,613,865	1,520,445	57,069	3,191,379
Carrying amount:					
Balance at January 1, 2018	$	295,390	110,750	5,249	411,389
Balance at December 31, 2018	$	442,448	627,388	41,584	1,111,420

7. Intangible Assets

(a) Details of intangible assets as of December 31, 2019 and 2018 are as follows:

(i) December 31, 2019

(In USD)		Acquisition cost	Accumulated amortization	Carrying amount
Software	$	4,778,528	(3,936,833)	841,695
In-kind contibution		496,668	(205,518)	291,150
	$	5,275,196	(4,142,351)	1,132,845

(ii) December 31, 2018

(In USD)		Acquisition cost	Accumulated amortization	Carrying amount
Software	$	4,434,679	(3,222,162)	1,212,517

7. Intangible Assets(Continued)

(b) Changes in intangible assets for the years ended December 31, 2019 and 2018 are summarized as follows:

(i) December 31, 2019

(In USD)		Software	In-kind contribution	Total
Cost:				
Balance at January 1, 2019	$	4,434,679	-	4,434,679
Additions		343,849	496,668	840,517
Balance at December 31, 2019	$	4,778,528	496,668	5,275,196
Accumulated amortization:				
Balance at January 1, 2019	$	3,222,162	-	3,222,162
Amortization		714,671	205,518	920,189
Balance at December 31, 2019	$	3,936,833	205,518	4,142,351
Carrying amount:				
Balance at January 1, 2019	$	1,212,517	-	1,212,517
Balance at December 31, 2019	$	841,695	291,150	1,132,845

(ii) December 31, 2018

(In USD)		Software	Total
Cost:			
Balance at January 1, 2018	$	3,729,569	3,729,569
Additions		707,837	707,837
Disposal		(2,727)	-
Balance at December 31, 2018	$	4,434,679	4,434,679
Accumulated depreciation:			
Balance at January 1, 2018	$	2,305,629	2,305,629
Amortization		919,260	919,260
Disposal		(2,727)	-
Balance at December 31, 2018	$	3,222,162	3,222,162
Carrying amount:			
Balance at January 1, 2018	$	1,423,940	1,423,940
Balance at December 31, 2018	$	**1,212,517**	**1,212,517**

8. Employee Benefits

(a) Defined contribution plans

GGGI provides a defined contribution retirement scheme to all employees that amount to 13% of each eligible employee's monthly base salary. The retirement savings scheme has been revised from 12% to 13% effective January 1, 2019.

The expenses related to post-employment benefit under the defined contribution retirement scheme for the years ended December 31, 2019 and 2018 are as follows:

(In USD)		2019	2018
Expense related to post-employment benefit under defined contribution plan	$	2,255,693	1,254,570

9. Other Current Assets and Other Non-Current Liabilities

(a) Other current assets as of December 31, 2019 and 2018 are summarized as follows:

(In USD)		2019	2018
Advance payments	$	27,375	129,280
Prepaid expenses(*)		4,008,922	6,563,118
	$	4,036,297	6,692,398

(*) The amount includes the pre-payment for UNOPS contract for personnel expenses of USD 3,441,907 prepaid housing for staff of USD 322,173 and salary advance to staff amounting to USD 244,842. These payments are in accordance with GGGI policies and regulations.

(b) Other non-current liabilities as of December 31, 2019 and 2018 are summarized as follows:

(In USD)		2019	2018
ARO Liabilities (*)	$	361,643	-

(*) The amount recognized is in relation to restoration costs for the head office lease agreement, which is expected to end in 2023

(c) Movement of other non-current liabilities of 2019 are as follows:

(In USD)		2019
ARO Liabilities:		
Balance at January 1, 2019		-
Accrual	$	356,476
Interest cost		5,167
Balance at December 31, 2019	$	361,643

10. Reserves

(a) Details of reserves as of December 31, 2019 and 2018 are as follows:

(In USD)		2019	2018
Working capital	$	15,000,000	10,000,000
Retained surplus (*)		3,581,779	7,392,950
	$	18,581,779	17,392,950

(*) The decision to draw down from the high level reserves in 2018 was approved by the Council through the approval of 2018/19 work program and budgets.

10. Reserves (Continued)

(b) Details of appropriation of retained surplus as of December 31, 2019 and 2018 are as follows:

The appropriation of retained surplus for the year ended December 31, 2019, is expected to be appropriated at the Meeting of the Management and Program Sub-Committee. The appropriation date for the year ended December 31, 2018, was March 20, 2019.

(In USD)		2019	2018
Unappropriated retained earnings carried over from prior year	$	7,392,950	21,311,813
Surplus for the year		1,188,829	(13,918,863)
Working Capital (*)		(5,000,000)	-
Retained surplus available for appropriation	$	3,581,779	7,392,950
Appropriation of retained surplus	$	-	-
Unappropriated retained surplus to be carried forward	$	**3,581,779**	**7,392,950**

(*) At the Ninth Meeting of the MPSC on May 1-2, 2019 Members of the Management and Program Sub-Committee agreed to recommend to the Council to increase the level of GGGI's working capital from USD 10 million to USD 15 million. On October 2nd, 2019, GGGI Council has officially approved the increase of working capital.

11. Operating Income

(a) Operating income for the years ended December 31, 2019 and 2018 are as follows:

(In USD)		2019	2018
Core funds(*)	$	32,723,669	24,151,084
Earmarked funds		14,850,598	11,258,853
Total Income	$	**47,574,267**	**35,409,937**

(*) Based on the Letter received from the Incheon Metropolitan City dated December 18, 2018, the Incheon Metropolitan City provided GGGI an office space of 335 square metres on the 23rd floor of the G-tower. The IFRS 13 requires GGGI to recognize the non-monetary government grants as asset at fair value until May 21, 2021, which is the duration of the in-kind contribution. Hence, the 2019 core funds include the in-kind contribution amounting to $205,518 for GGGI's Songdo office, discounted at 3.5% per year.

(b) Details of operating income of core funds for the years ended December 31, 2019 and 2018 are as follows:

(In USD)		2019	2018
Core funds			
The Government of Australia (DFAT) (*1)	$	7,999,995	3,999,995
The Government of Denmark		3,025,215	3,224,647
The Ministry of Foreign Affairs of the Republic of Korea		10,000,000	10,000,000
The Norwegian Agency for Development Cooperation (NORAD)		1,845,416	2,048,123
The Government of the United Kingdom (DFID) (**2)		9,637,050	4,860,450
Green Technology Center Korea(GTCK)		-	17,869
Acacia Water B.V.		10,475	-
In-kind contribution		205,518	-
Total Core Income	$	**32,723,669**	**24,151,084**

(*1) The core contribution from The Government of Australia is USD 15,000,000 for 3 years (2017-2019), with the following payment schedule 1) 2017 - USD 3,000,000, 2) 2018 - USD 4,000,0000, and 3) 2019 - USD 8,000,000.

(**2) The core contribution from The Government of United Kingdom (DFID) consists of GBP 4,500,000 (USD 5,770,950) disbursed during UK fiscal year 2018-2019, and GBP 3,000,000 (USD 3,866,100) disbursed during UK fiscal year 2019-2020.

11. Operating Income (Continued)

(c) Details of operating income of earmarked funds for the years ended December 31, 2019 and 2018 are as follows:

	Grant Period		Total Pledged in Local Currency	Operating Income		
	Start	End		2019	2018	Total
The United Arab Emirates Ministry of Foreign Affairs(UAE)	Mar-11	Mar-19	USD 18,028,359	$ -	1,702,517	1,702,517
The United Arab Emirates Ministry of Foreign Affairs(UAE) and Morocco	Jan-19	Dec-21	USD 4,500,000	1,165,851	-	1,165,851
The Norwegian Ministry of Foreign Affairs-'Indonesia Country Program 2016-2019'	Jan-16	Dec-20	NOK 178,000,000	5,607,500	5,838,109	11,445,609
The Norwegian Ministry of Foreign Affairs- 'Colombia Country Program 2017-2019'	Aug-17	Dec-19	NOK 27,103,000	1,474,034	1,428,717	2,902,751
Norway: Designing Policy Approaches under Article 6-Phase 1 - GIS Global	July-19	Sep-21	USD 2,616,156	292,833	-	292,833
Nordic Development Fund Training Agreement-SPRSI	Aug-19	Oct-19	USD 10,835	7,429	-	7,429
Government of the Federal Republic of Germany(BMZ)	Nov-14	Jan-18	EUR 450,000	-	68,702	68,702
Hungary for the Balkan Nationally Determined Contribution Trust Fund Project	May-17	Apr-19	HUF 80,000,000	13,895	194,827	208,722
Hungary: Ministry for Innovation and Technology (MIT) for Uganda Water Resource Planning Project	Mar-18	Mar-20	HUF 73,000,000	223,177	19,973	243,150
Hungary for Supporting Low-carbon and Climate Resilient Development in Serbian Cities	Oct-19	Sep-20	HUF 40,000,000	22,074	-	22,074
The Ministry for the Environment, Land and Sea of the Republic of Italy (IMELS)-'Ethiopia Country Program 2017-2018'	Sep-17	Feb-19	EUR 100,000	39,720	61,362	101,082
The Ministry for the Environment, Land and Sea of the Republic of Italy (IMELS)- Rwanda, Field of Climate change	Jan-18	Apr-19	EUR 100,000	38,689	78,180	116,869
The Ministry for the Environment, Land and Sea of the Republic of Italy (IMELS)- Rwanda, Field of Climate change-2	Apr-19	Apr-21	EUR 300,000	96,332	-	96,332
Netherland Contribution to the Project for Solar Home System market in Uganda	Jan-18	Dec-20	EUR 845,542	321,545	167,491	489,036
EU/EASME (GreenWin) for Global Climate Forum	Sep-15	Dec-18	EUR 98,875	(9)	35,495	35,486
Green Climate Fund(GCF) - Readiness Indonesia-1	June-18	June-20	USD 852,322	362,718	69,830	432,548
Green Climate Fund(GCF) - Readiness Papua New Guinea	Feb-18	June-20	USD 677,427	197,270	116,344	313,614
Green Climate Fund - Readiness Vanuatu-1	Apr-17	May-18	USD 370,000	-	224,587	224,587
Green Climate Fund -Readiness Mongolia	Sep-17	Dec-18	USD 350,000	-	281,296	281,296
Green Climate Fund(GCF) - Readiness Rwanda	May-18	July-19	USD 600,000	338,033	230,070	568,103
Green Climate Fund(GCF) - Readiness Thailand	May-18	May-19	USD 340,000	117,151	184,549	301,700
Green Climate Fund(GCF) - Readiness Laos	May-18	Nov-19	USD 476,485	333,585	56,969	390,554
Green Climate Fund(GCF) - Readiness Jordan	May-18	July-20	USD 660,000	223,221	45,579	268,800
GCF Consulting Service Contract for SAP Project	Sep-18	Mar-19	USD 214,954	63,629	162,974	226,603
Green Climate Fund(GCF) - GCF Adaptation Workshop	Nov-18	Dec-18	USD 289,937	-	198,604	198,604
Green Climate Fund(GCF) - Readiness Cambodia	Sep-19	Dec-20	USD 204,673	4,895	-	4,895
Green Climate Fund(GCF) - Readiness Ethiopia	Aug-19	Feb-21	USD 827,203	54,677	-	54,677
Green Climate Fund(GCF) - Readiness Guyana	Feb-19	Feb-20	USD 300,000	127,113	-	127,113
Green Climate Fund(GCF) - Readiness Mexico	Aug-19	Feb-21	USD 798,975	55,917	-	55,917
Green Climate Fund(GCF) - Readiness Myanmar	Feb-19	Feb-21	USD 850,220	110,204	-	110,204
Green Climate Fund(GCF) - Readiness Uganda	Feb-19	Feb-21	USD 700,593	133,625	-	133,625
Green Climate Fund(GCF) - Readiness Vanuatu-2	May-19	Aug-20	USD 350,000	82,476	-	82,476
The Government of the Grant Duchy of Luxembourg - Enhancing Resilience to Climate Change through Solar Power Driven Access in Vanuatu	May-18	Sep-20	EUR 1,500,000	295,227	404	295,631
The Government of the Grant Duchy of Luxembourg - WEEE management in Senegal	Dec-18	Dec-22	EUR 3,000,000	266,884	-	266,884
Korea International Cooperation Agency(KOICA) for Access to GCFin Lao PDR and PNG	Oct-18	Sep-19	USD 230,000	99,437	2,013	101,450
Korea International Cooperation Agency(KOICA) for Capacity Building for energy access in Pacific Region	Dec-18	Dec-21	USD 1,500,000	221,353	-	221,353
Korea International Cooperation Agency(KOICA) for WW + SW Treatment Capacity Building Project for City Env Improvement in Lao PDR	July-19	Dec-24	USD 6,400,000	495,865	-	495,865
Collaborative Research Agreement - GTC	Mar-18	Sep-18	KRW 50,000,000	-	11,343	11,343
The United Nations Development Programme (UNDP) for PNG	Sep-18	July-19	USD 130,225	79,588	16,563	96,151
The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)- Evidence-based policies in Fiji	Sep-18	Aug-19	USD 76,337	75,394	-	75,394
The United Nations Environment (UN Environment) PCA: GGKP	Oct-18	Oct-19	USD 125,000	93,287	31,820	125,107
The United Nations Environment (UN Environment) PCA: (MAVA) Mangrove Restoration Program in Myanmar	Apr-19	May-20	USD 100,000	29,735	-	29,735
UNEP DTU Partnership - ICAT Project for Thailand MRV	Dec-18	Dec-19	USD 125,000	89,637	-	89,637

11. Operating Income (Continued)

(c) Details of operating income of earmarked funds for the years ended December 31, 2019 and 2018 (continued)

	Grant Period		Total Pledged in Local Currency	Operating Income		
	Start	End		2019	2018	Total
Activity Agreement with the Royal Embassy of Denmark- regarding feasibility of commercialization of biogas in India	Nov-18	June-20	DKK 479,346	72,260	-	72,260
Royal Danish Embassy in Addis Ababa- To support the forest sector transformation unit, environment, forest and climate change commission, funded by the Climate resilient forest livelihoods programme supported by Denmark - Ethiopia	Jan-19	Mar-21	DKK 700,000	21,736	-	21,736
Bill and Melinda Gates Foundation(BMGF) - Promoting City-Wide Inclusive Sanitation through Climate Resilience and Green Growth	Mar-19	Mar-21	USD 1,648,101	385,592	-	385,592
The Department of Foreign Affairs and Trade/DFAT, Australia - Climate resilient green growth project - PNG	Feb-19	Dec-22	AUD 6,000,000	510,353	-	510,353
UK PACT: Grant Agreement between Secretary of State for Business Energy and Industrial Strategy and GGGIScaling up Green Growth Policy implementation and investments via capacity building in Colombia	July-19	June-20	GBP 410,039	178,806	-	178,806
Service contract for European Union external actions - Research study on climate finance opportunities in South-South and North-South-South context- China	Jan-19	Feb-20	EUR 99,940	62,814	-	62,814
GIZ: grant agreement for Ethiopia	Apr-19	Sep-19	EUR 72,925	45,652	-	45,652
GIZ: grant agreement for Pacific	Oct-19	Mar-20	EUR 417,337	97,995	-	97,995
GU (University of Gothenburg): Training Programme granted by the Swedish Institute (SI) in Rwanda	June-19	Jan-20	SEK 862,149	82,019	-	82,019
Letter agreement between GGGI and Fiji Development Bank secodee assignment fo Roxane Castelein	Feb-19	Aug-19	USD 13,634	9,150	-	9,150
Sub-Contract (ICLEI/WRI): Phase II-Development of Guideline for Standard Offer Program in Mongolia	July-19	Dec-19	USD 14,120	12,589	-	12,589
JICA: Collaborative Research Agreement- Support for the Research Plan -G20 Background Paper "Green Growth to Achieve the Paris Agreement- TL	Feb-19	Feb-19	USD 10,000	7,708	-	7,708
Financing agreement with The World Green Economy Organization/WGEO/ and GGGI for the implementation of joint green economy project	July-18	Dec-19	USD 468,247	101,439	-	101,439
State-of-the-Art Report	Nov-19	Jan-20	USD 15,000	8,513	-	8,513
Sub-total Earmarked Income			$	14,850,617	11,228,318	26,078,935
Partnership Agreements for Special Events						
Partnership Agreement Green Technology Center (GTC)- Latin American Regional Forum in Mexico	Sep-17	Dec-17	KRW 25,000,000	-	(1,010)	(1,010)
Hanwha Q cells- Energy Forum in Seoul (Oct 2018)	Oct-18	Jan-19	KRW 36,000,000	(19)	31,545	31,526
Sub-total Partnership Agreements			$	(19)	30,535	30,516
Total Earmarked Income			$	14,850,598	11,258,853	26,109,451

(d) Major in-kind contributions provided to GGGI in 2019 are as follows:

Based on the Letter received from the Incheon Metropolitan City dated December 18, 2018, the Incheon Metropolitan City provided GGGI an office space on the 23rd floor of the G-tower. Therefore, GGGI recognised the in kind contribution in accordance with IAS 20 principle, Accounting for Government Grants and Dosclosure of Government Assistance, until May 21, 2021 which is the duration of the Inkind contribution .

Based on the Project Agreement with the National Council for Sustainable Development (GSSD) signed in 2019, GSSD provided GGGI an office space within the Ministry of Environment, Techo Heritage Building, No. 503, Khan Chamkarmon in Phnom Penh city, Cambodia.
Based on the MOU with Phnom Penh Capital Administration (PPCA) signed in 2019, PPCA provided GGGI an office space in the Building # 69, Preah Monivong Blvd., Sangkat Srah Chak, Khan Daun Penh, Phnom Penh city, Cambodia.

Based on the Letter sent to the Ministry of Economy (MOE) in 2017, MOE provided GGGI an office space on Level 8, Ro Lalabalavlu House, Victoria Parade, Suva,

Based on the MOU signed with Ministry for Innovation and Technology (MIT) and Letter dated April 30, 2019, MIT provided GGGI an office space at Csalogany u. 9-11, Budapest, Hungary.

11. Operating Income (Continued)

(d) Major in-kind contributions provided to GGGI in 2019 are as follows:

Based on the MOU in Indonesia, the Government of Indonesia has provided various office as follows:

Based on the MOU signed with Fiscal Policy Agency (FPA), Ministry of Finance Indonesia, FPA provided an office space on 5th floor, Wisma Bakrie, Kuningan.

Based on the signed Cooperation Agreement, the National Institute of Public Administration of Republic of Indonesia provided an office space on Graha Makarti Bhakti Nagari PPLPN LAN, 3rd Floor, Jl Administrasi II No. 24.

Based on the letter received from PT Sarana Multi Infrastruktur (PT SMI), PT SMI provided an office space on 48th floor, Sahid Sudirman Center, Jakarta.

Based on the letter received from "Badan Perencanaan Pembangunan Provinsi Kalimantan Timur", GGGI was provided an office at Jl. Kasuma Bangsa No 2,

Based on the letter received from "Gubernur Kalimantan Tengah", GGGI was provided an office at Jl. Diponegoro #60, Palangka Raya.

Based on the Letter sent to the Ministry of Environment in 2017, GGGI was provided an office space within the Ministry building at Bikenibeu, Tarawa, Kiribati.

Based on the MOU signed with Ministry of Planning and Investment (MPI) of Government of Lao People's Democratic Republic, MPI provided an office space on the 3rd Floor of the main building, Vientiane Capital.

Based on the Funding Agreement with the Ministry of the Environment and Natural Resources (SEMARNAT) signed on December 8, 2015, GGGI was provided an office space in Mexico city.

Based on the Letter from the Ministry of Environment and Tourism (MET) of Mongolia, MET provided GGGI an office space on 1st floor of Mongol Us Building in Bayangol District, Ulaanbaatar. Based on MOU and Letter to Energy Regulatory Commission (ERC), GGGI was provided an office space within the ERC building.

Based on the MOU signed with Ministry of Natural Resources and Environmental Conservation (MONREC) of the Republic of the Union of Myanmar, MONREC provided an office space on the Ground Floor, Building 52, Otharathiri Township, Nay Pyi Taw Union Territory.

Based on the MOU signed with the Government of Nepal represented by the Ministry of Forests and Environment (MoFE), MOFE provided GGGI an office space in the Department of Forests and Soil Conservation, Babar Mahal, Kathmandu.

Based on the Implementation agreement signed with Climate Change and Development Authority (CCDA) of Papua New Guinea, CCDA provided an office space on 3rd Floor, Savannah Heights, Dynasty Tower, Boroko 111, NCD.

Based on the Letter from the Department of Trade & Industry (DTI) of Philippines and Project Agreement with the Climate Change Commission (CCC) of Philippines, DTI provided GGGI an office space on 3rd floor of UPRC Building in Makati City, and CCC provided office space in the Province of Palawan and Province of Oriental Mindoro respectively.

Based on the MOU with the Organization of Eastern Caribbean States (OECS) signed on February 23, 2018, OECS provided GGGI an office space at OECS HQ located at Morne Fortune, St. Lucia.

Based on the Letter to the Ministry of Climate Change on August 29, 2017, GGGI was provided an office space within the Ministry at the Department of Energy located at Meteo Complex, Nambatu Are, Port Villa, Vanuatu.

12. Operating Expenditures

(a) Details of operating expenditures for the years ended December 31, 2019 and 2018 are as follows:

(In USD)	2019	2018
Salaries and wages	$ 21,614,611	$ 23,131,176
Allowances (home, education, relocation and others)	5,609,330	5,204,140
Employee benefits	2,255,693	1,254,570
Welfares	2,197,501	1,736,660
Outsourcing cost	5,970,160	7,680,352
Travel expense	2,550,858	3,951,318
Rental expenses	667,421	1,883,401
Transportation	9,321	18,900
Commissions	103,303	103,561
Professional fees	466,533	294,627
Depreciation	1,697,065	402,575
Amortization	920,189	919,260
Training expenses	111,625	263,265
Communication expenses	302,324	363,493
Repairs and maintenance expenses	39,027	283,273
Publication expenses	159,077	196,325
Conference expenses	930,725	1,062,567
Supply expenses	739,744	606,240
Others	253,981	323,126
	$ 46,598,488	$ 49,678,829

12. Operating Expenditures (Continued)

(b) Details of operating expenditures for the years ended December 31, 2019 and 2018 are as follows:

Source of Funding	Core		Earmarked		Total	
(In USD)	2019	2018	2019	2018	2019	2018
Salaries and wages	$ 17,551,560	18,838,184	$ 4,063,051	4,292,992	$ 21,614,611	23,131,176
Allowances (home, education, relocation and others)	4,593,565	4,738,753	1,015,765	465,387	5,609,330	5,204,140
Employee benefits	1,819,627	1,218,888	436,066	35,682	2,255,693	1,254,570
Welfares	1,656,503	1,423,729	540,998	312,931	2,197,501	1,736,660
Outsourcing cost	1,776,455	4,251,669	4,193,705	3,428,683	5,970,160	7,680,352
Travel expense	1,586,959	2,989,187	963,899	962,131	2,550,858	3,951,318
Rental expenses	599,696	1,657,332	67,724	226,069	667,421	1,883,401
Transportation	5,276	14,459	4,045	4,441	9,321	18,900
Commissions	59,136	73,292	44,167	30,269	103,303	103,561
Professional fees	358,965	223,881	107,568	70,746	466,533	294,627
Depreciation	1,411,160	325,873	285,905	76,702	1,697,065	402,575
Amortization	920,189	919,260	-	-	920,189	919,260
Training expenses	82,330	241,981	29,295	21,284	111,625	263,265
Communication expenses	272,138	331,099	30,186	32,394	302,324	363,493
Repairs and maintenance expenses	27,663	279,216	11,364	4,057	39,027	283,273
Publication expenses	117,271	170,615	41,806	25,710	159,077	196,325
Conference expenses	473,365	614,266	457,360	448,301	930,725	1,062,567
Supply expenses	642,433	541,358	97,311	64,882	739,744	606,240
Others	186,090	257,154	67,891	65,972	253,981	323,126
Overhead Cost Allocation	(1,084,961)	(683,287)	1,084,961	683,287	-	-
	$ 33,055,421	38,426,909	$ 13,543,067	11,251,920	$ 46,598,488	49,678,829

(c) Details of operating expenditures by country for the years ended December 31, 2019 and 2018 are as follows:

	Operating Expenditures	
	2019	2018
Global Programmatic	$ 9,314,829	7,198,104
United Arab Emirates	839,928	1,343,964
Caribbean	170,735	25,744
China	185,994	639,173
Colombia	1,870,452	2,247,764
Costa Rica	-	38,040
Ethiopia	1,189,255	1,500,539
Fiji	1,023,735	1,430,555
United Kingdom	-	48,886
Kiribati	192,202	265,272
Hungary	166,444	194,818
Indonesia	5,952,049	5,898,456
India	578,096	565,871
Jordan	790,923	932,792
Cambodia	685,350	1,085,510
Lao People's Dem Rep	1,258,641	865,096
Morocco	370,422	364,597
Mongolia	715,692	1,214,211
Mexico	395,010	296,424
Myanmar	670,473	599,172
Mozambique	265,852	574,559
Nepal	602,093	400,043
Pacific Region	93,183	200,087
Peru	461,331	647,325
Philippines	988,622	1,625,828
Rwanda	1,810,696	2,357,452
Senegal	866,213	1,043,590
Thailand	554,651	657,204
Uganda	1,111,241	1,219,221
Vietnam	714,655	1,151,447
Vanuatu	676,636	826,709
Burkina Faso	371,840	140,138
Guyana	292,985	132,042
Papua New Guinea	962,289	134,927
Qatar	346,125	179
Sri Lanka	78,027	-
Tonga	63,547	-
Non-Programmatic : Management and Administration and Corporate Shared Costs	5,040,676	5,953,839
Non-Programmatic : Office of Director General	4,112,832	4,224,267
Capital	814,764	1,634,984
Total	$ 46,598,488	49,678,829

12. Operating Expenditures (Continued)

(d) Details of operating expenditures of earmarked projects by donor for the years ended December 31, 2019 and 2018 are as follows:

	Grant Period		Total Pledged	Operating Expenditures		
	Start	End	In Local Currency	2019	2018	Total
The United Arab Emirates Ministry of Foreign Affairs(UAE)	Mar-11	Mar-19	USD 18,028,359	$ -	1,708,561	1,708,561
The United Arab Emirates Ministry of Foreign Affairs(UAE) and Morocco	Jan-19	Dec-21	USD 4,500,000	1,151,544	-	1,151,544
The Norwegian Ministry of Foreign Affairs-'Indonesia Country Program 2016-2019'	Jan-16	Dec-20	NOK 178,000,000	5,589,244	5,828,636	11,417,880
The Norwegian Ministry of Foreign Affairs- 'Colombia Country Program 2017-2019'	Aug-17	Dec-19	NOK 27,103,000	1,471,295	1,427,442	2,898,737
Norway: Designing Policy Approaches under Article 6-Phase 1 - GIS Global	July-19	Sep-21	USD 2,616,156	292,805	-	292,805
Nordic Development Fund Training Agreement-SPRSI	Aug-19	Oct-19	USD 10,835	7,429	-	7,429
Government of the Federal Republic of Germany(BMZ)	Nov-14	Jan-18	EUR 450,000	-	68,461	68,461
Hungary for the Balkan Nationally Determined Contribution Trust Fund Project	May-17	Apr-19	HUF 80,000,000	14,081	194,818	208,899
Hungary: Ministry for Innovation and Technology (MIT) for Uganda Water Resource Planning Project	Mar-18	Mar-20	HUF 73,000,000	223,177	19,973	243,150
Hungary for Supporting Low-carbon and Climate Resilient Development in Serbian Cities	Oct-19	Sep-20	HUF 40,000,000	22,076	-	22,076
The Ministry for the Environment, Land and Sea of the Republic of Italy (IMELS)-'Ethiopia Country Program 2017-2018'	Sep-17	Feb-19	EUR 100,000	39,746	61,362	101,108
The Ministry for the Environment, Land and Sea of the Republic of Italy (IMELS)- Rwanda, Field of Climate change	Jan-18	Apr-19	EUR 100,000	40,848	78,192	119,040
The Ministry for the Environment, Land and Sea of the Republic of Italy (IMELS)- Rwanda, Field of Climate change-2	Apr-19	Apr-21	EUR 300,000	96,343	-	96,343
Netherland Contribution to the Project for Solar Home System market in Uganda	Jan-18	Dec-20	USD 845,542	321,532	167,495	489,027
EU/EASME (GreenWin) for Global Climate Forum	Sep-15	Dec-18	EUR 98,875	-	35,592	35,592
Green Climate Fund(GCF) - Readiness Indonesia-1	June-18	June-20	USD 852,322	362,805	69,820	432,625
Green Climate Fund(GCF) - Readiness Papua New Guinea	Feb-18	June-20	USD 677,427	198,439	116,351	314,790
Green Climate Fund - Readiness Vanuatu-1	Apr-17	May-18	USD 370,000	-	224,571	224,571
Green Climate Fund -Readiness Mongolia	Sep-17	Dec-18	USD 350,000	-	281,229	281,229
Green Climate Fund(GCF) - Readiness Rwanda	May-18	July-19	USD 600,000	337,979	230,070	568,049
Green Climate Fund(GCF) - Readiness Thailand	May-18	May-19	USD 340,000	117,151	184,549	301,700
Green Climate Fund(GCF) - Readiness Laos	May-18	Nov-19	USD 476,485	333,546	56,969	390,515
Green Climate Fund(GCF) - Readiness Jordan	May-18	July-20	USD 660,000	223,221	45,579	268,800
GCF Consulting Service Contract for SAP Project	Sep-18	Mar-19	USD 214,954	63,649	162,974	226,623
Green Climate Fund(GCF) - GCF Adaptation Workshop	Nov-18	Dec-18	USD 289,937	-	196,608	196,608
Green Climate Fund(GCF) - Readiness Cambodia	Sep-19	Dec-20	USD 204,673	4,895	-	4,895
Green Climate Fund(GCF) - Readiness Ethiopia	Aug-19	Feb-21	USD 827,203	54,677	-	54,677
Green Climate Fund(GCF) - Readiness Guyana	Feb-19	Feb-20	USD 300,000	127,113	-	127,113
Green Climate Fund(GCF) - Readiness Mexico	Aug-19	Feb-21	USD 798,975	55,917	-	55,917
Green Climate Fund(GCF) - Readiness Myanmar	Feb-19	Feb-21	USD 850,220	110,204	-	110,204
Green Climate Fund(GCF) - Readiness Uganda	Feb-19	Feb-21	USD 700,593	133,625	-	133,625
Green Climate Fund(GCF) - Readiness Vanuatu-2	May-19	Aug-20	USD 350,000	82,476	-	82,476
The Government of the Grant Duchy of Luxembourg - Enhancing Resilience to Climate Change through Solar Power Driven Access in Vanuatu	May-18	Sep-20	EUR 1,500,000	295,840	404	296,244
The Government of the Grant Duchy of Luxembourg - WEEE management in Senegal	Dec-18	Dec-22	EUR 3,000,000	266,778	-	266,778
Korea International Cooperation Agency(KOICA) for Access to GCFin Lao PDR and PNG	Oct-18	Sep-19	USD 230,000	97,917	2,013	99,930
Korea International Cooperation Agency(KOICA) for Capacity Building for energy access in Pacific Region	Dec-18	Dec-21	USD 1,500,000	220,698	-	220,698
Korea International Cooperation Agency(KOICA) for WW + SW Treatment Capacity Building Project for City Env Improvement in Lao PDR	July-19	Dec-24	USD 6,400,000	497,383	-	497,383
Collaborative Research Agreement - GTC	Mar-18	Sep-18	KRW 50,000,000	-	11,343	11,343
The United Nations Development Programme (UNDP) for PNG	Sep-18	July-19	USD 130,225	79,607	16,563	96,170
The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)- Evidence-based policies in Fiji	Sep-18	Aug-19	USD 76,337	75,402	-	75,402
The United Nations Environment (UN Environment) PCA: GGKP	Oct-18	Oct-19	USD 125,000	93,311	31,820	125,131
The United Nations Environment (UN Environment) PCA: (MAVA) Mangrove Restoration Program in Myanmar	Apr-19	May-20	USD 100,000	29,735	-	29,735
UNEP DTU Partnership - ICAT Project for Thailand MRV	Dec-18	Dec-19	USD 125,000	89,637	-	89,637
Activity Agreement with the Royal Embassy of Denmark- regarding feasibility of commercialization of biogas in India	Nov-18	June-20	DKK 479,346	74,972	-	74,972
Royal Danish Embassy in Addis Ababa- To support the forest sector transformation unit, environment, forest and climate change commission, funded by the Climate resilient forest livelihoods programme supported by Denmark - Ethiopia	Jan-19	Mar-21	DKK 700,000	21,750	-	21,750

12. Operating Expenditures (Continued)

(d) Details of operating expenditures of earmarked projects by donor for the years ended December 31, 2019 and 2018 (Continued)

	Grant Period		Total Pledged	Operating Expenditures		
	Start	End	in Local Currency	2019	2018	Total
Bill and Melinda Gates Foundation(BMGF) - Promoting City-Wide Inclusive Sanitation through Climate Resilience and Green Growth	Mar-19	Mar-21	USD 1,648,101	385,814	-	385,814
The Department of Foreign Affairs and Trade/DFAT, Australia - Climate resilient green growth project - PNG	Feb-19	Dec-22	AUD 6,000,000	509,196	-	509,196
UK PACT: Grant Agreement between Secretary of State for Business Energy and Industrial Strategy and GGGIScaling up Green Growth Policy implementation and investments via capacity building in Colombia	July-19	June-20	GBP 410,039	178,806	-	178,806
Service contract for European Union external actions - Research study on climate finance opportunities in South-South and North-South-South context- China	Jan-19	Feb-20	EUR 99,940	62,822	-	62,822
GIZ: grant agreement for Ethiopia	Apr-19	Sep-19	EUR 72,925	45,673	-	45,673
GIZ: grant agreement for Pacific	Oct-19	Mar-20	EUR 417,337	97,995	-	97,995
GU (University of Gothenburg): Training Programme granted by the Swedish Institute (SI) in Rwanda	June-19	Jan-20	SEK 862,149	82,004	-	82,004
Letter agreement between GGGI and Fiji Development Bank secodee assignment fo Roxane Castelein	Feb-19	Aug-19	USD 13,634	9,150	-	9,150
Sub-Contract (ICLEI/WRI): Phase II-Development of Guideline for Standard Offer Program in Mongolia	July-19	Dec-19	USD 14,120	12,589	-	12,589
JICA: Collaborative Research Agreement- Support for the Research Plan -G20 Background Paper "Green Growth to Achieve the Paris Agreement- TL	Feb-19	Feb-19	USD 10,000	7,708	-	7,708
Financing agreement with The World Green Economy Organization/WGEO/ and GGGI for the implementation of joint green economy project	July-18	Dec-19	USD 468,247	101,513	-	101,513
State-of-the-Art Report	Nov-19	Jan-20	USD 15,000	8,513	-	8,513
Sub-total Earmarked Expenditures				$ 14,820,630	11,221,395	26,042,025
Partnership Agreements for Special Events						
Partnership Agreement Green Technology Center (GTC)- Latin American Regional Forum in Mexico	Sep-17	Dec-17	KRW 25,000,000	-	(1,010)	(1,010)
Hanwha Q cells- Energy Forum in Seoul (Oct 2018)	Oct-18	Jan-19	KRW 36,000,000	-	31,535	31,535
Sub-total Partnership Agreements				$ -	30,525	30,525
Total Earmarked Expenditures (*)				$ 14,820,630	11,251,920	26,072,550

(*) In 2019, GGGI introduced a project management system across the organization, which include a timesheet recording of staff hours using "Charge-Out Rates". The application of the "Charge-out Rates" has been approved by the Director General via a Director General's memo dated 18 January 2018. Concurrently, the application of the timesheet recording in 2019 was notified to the Council at Seventh Session of the assembly and Eleventh Session of the Council (A/2018/DC/3 – C/2018/DC/10) on December 3, 2018). The statement of comprehensive income(loss) statement reports personnel cost based on actual costs. The project financial statement reports the personnel costs based on "Charge-out rates". This resulted in a difference of USD 1,277,577 between the two statements.

13. Finance Income and Finance Costs

(a) Details of finance income for the years ended December 31, 2019 and 2018 are summarized as follows:

(In USD)		2019	2018
Interest income	$	270,363	219,606
Interest income related to Deposit		14,023	32,873
Gain on foreign currency transactions		75,170	33,887
Gain on foreign currency translations		149,860	41,812
Total Finance Income	$	509,416	328,178

(b) Details of finance costs for the years ended December 31, 2019 and 2018 are summarized as follows:

(In USD)		2019	2018
Interest Expenses related to lease liabilities	$	172,671	-
Interest Expenses related to Asset Retired Obligation		5,167	-
Loss on foreign currency transactions		53,175	45,994
Loss on foreign currency translations		79,393	148,198
Total Finance Costs	$	310,407	194,192

13. Finance Income and Finance Costs (Continued)

(c) Details of finance income and finance costs by source of fund for the years ended December 31, 2019 and 2018 are summarized as follows:

	Core		Earmarked		Total	
(In USD)	2019	2018	2019	2018	2019	2018
Interest income	$ 278,692	251,771	$ 5,694	708	$ 284,386	252,479
Gain on foreign currency transactions	70,560	28,354	4,610	5,533	75,170	33,887
Gain on foreign currency translations	146,092	41,022	3,768	790	149,860	41,812
Total Finance Income	$ 495,343	321,147	$ 14,072	7,031	$ 509,415	328,178
Interest Expenses	$ 161,596	-	$ 16,242	-	$ 177,839	-
Loss on foreign currency transactions	28,055	30,348	25,120	15,646	53,175	45,994
Loss on foreign currency translations	74,719	141,991	4,674	6,207	79,393	148,198
Total Finance Costs	$ 264,371	172,339	$ 46,036	21,853	$ 310,407	194,192

The interest income in 2019 is primarily consists of USD 220,003, interest earned from the investment of the USD 10,000,000 working capital reserves.

14. Other Gain (Loss)

Details of other gain (loss) for the years ended December 31, 2019 and 2018 are summarized as follows:

(In USD)	2019	2018
Other gain		
Sales on assets	$ -	5,675
Miscellaneous income (*1)	136,145	217,502
Total Other gain	$ 136,145	223,177
Other loss		
Loss on disposal of PPE	$ -	(1,613)
Donation (**2)	(85,500)	(5,000)
Miscellaneous expenses	(36,604)	(521)
Total Other loss	$ (122,104)	(7,134)
	$ 14,041	216,043

(*1) Miscellaneous income comprises of tax refunds, honorarium payments
(**2) This is GGGI's contribution for the "Greenpreneurs 2019" project.

15. Related Parties

(a) Governing Bodies

GGGI is governed by the Assembly, consisting of 29 member countries, which is responsible for electing Members to the Council, appointing the Director-General, considering and adopting amendments to the Establishment Agreement, advising on the overall direction of the GGGI's work, reviewing progress in meeting the GGGI's objectives, receiving reports from the Secretariat on strategic, operational and financial matters, and providing guidance on cooperative partnerships and linkages with other international bodies.

The Council is the executive board of GGGI and consists of no more than seventeen members, of which five are from contributing members and elected by the Assembly, five are from participating members and elected by the Assembly, five are experts or non-state actors appointed by the Council, the host country which holds a permanent seat on the Council, and the Director-General without voting right. Members of the Council serve for two year terms.

The Council is responsible for directing the activities of the GGGI, under guidance of the Assembly. This includes nominating a Director-General for appointment by the Assembly, approving the GGGI's strategy, annual work program and budget and reviewing the results, monitoring and evaluation framework, approving audited financial statements, approving the admission of new members to the Advisory Committee, approving the criteria for country program selection, approving the membership of the sub-committees of the Council and any other functions delegated by the Assembly.

(b) Key Management Compensation

Key management personnel of GGGI are the Director-General, the Deputy Director-General's, and the Assistant Director-General's as they have the authority and responsibility for planning, directing and controlling the activities of GGGI.

Key management compensation comprised the following:

(In USD)		2019	2018
Salaries and bonus	$	906,860	834,790
Allowance		278,250	294,928
Employee benefits		113,816	107,439
	$	1,298,927	1,237,157

16. Deferred Income

Details of deferred Income of earmarked projects by donor for the year ended December 31, 2019 and 2018 are as follows:

		Deferred Income	
		2019	**2018**
The Government of Denmark		-	3,025,215
The Government of the United Kingdom		-	3,808,500
Staff Council Fund		4,749	-
In-kind Contribbution		291,150	-
Total Deferred Income from Core Contribution	$	**295,899**	**6,833,715**
The Norwegian Ministry of Foreign Affairs-'Indonesia Country Program 2016-2019'		1,939,103	2,562,463
The Norwegian Ministry of Foreign Affairs- 'Colombia Country Program 2017-2019'		9,293	378,384
Government of the Federal Republic of Germany(BMZ)		-	-
Green Climate Fund(GreenWin) for Global Climate Forum		27,393	-
Hungary for the Balkan Nationally Determined Contribution Trust Fund Project , Uganda Water Resource Planning project and Supproting Low-carbon and Climate Resilient Development in Serbian Cities		160,994	285,115
The Ministry for the Environment, Land and Sea of the Republic of Italy (IMELS) for Ethiopia and Rwanda		67,639	-
Netherland Contribution to the Project for Solar Home System market in Uganda		227,223	163,596
Green Climate Fund(GCF) for Readiness Cambodia, Ethiopia, Fiji, Guyana, Indonesia, Jordan, Laos, Mexico, Mongolia,Myanmar, Papua New Guinea, Philippines, Rwanda, Thailand,Uganda and Vanuatu		1,831,144	705,505
Green Climate Fund(GCF) - GCF Adaptation Workshop		-	76,836
The Government of the Grant Duchy of Luxembourg for Vanuatu and Senegal		1,654,796	1,723,534
Korea International Cooperation Agency(KOICA) for Lao PDR,PNG, Solomon Islands and Vanuatu		1,231,332	947,987
The United Nations Development Programme (UNDP) for PNG		34,075	74,595
The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)- Evidence-based policies in Fiji		6	19,586
The United Nations Environment (UN Environment) PCA: GGKP		-	61,930
Hanwha Q cells- Energy Forum in Seoul (Oct 2018)		764	744
Collaborative Research Agreement - GTC		54,036	54,036
Activity Agreement with the Royal Embassy of Denmark- regarding feasibility of commercialization of biogas in India		-	54,118
UNEP DTU Partnership - ICAT Project for Thailand MRV		35,333	-
SK Corporation for Korean Peninsula Study		100,000	100,000
Royal Danish Embassy in Addis Ababa : To support the forest sector transformation unit, environment, forest and climate change commission		30,929	-
Bill and Melinda Gates Foundation(BMGF) - Promoting City-Wide Inclusive Sanitation through Climate Resilience and Green Growth		414,408	-
The Department of Foreign Affairs and Trade(DFAT), Australia : Climate resilient green growth project for PNG		1,033,693	-
The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) for Ethiopia and Pacific		344,150	-
GU (University of Gothenburg): Training Programme granted by the Swedish Institute (SI) in Rwanda		8,853	-
Swedish Energy Agency: Accelerate the restart of an international trading market in mitigation outcomes		2,127,320	-
Swedish International Cooperation Agency for Development of the Monitoring, Reporting, and Verification (MRV) System In Burkina Faso		734,707	-
Fiji Development Bank for secondee assignment		1,059	-
Sub-Contract (ICLEI/WRI): Phase II-Development of Guideline for Standard Offer Program in Mongolia		1,531	-
JICA: Support for the Research Plan -G20 Background Paper "Green Growth to Achieve the Paris Agreement"		2,292	-
The World Green Economy Organization(WGEO) for the implementation of joint green economy project		226,224	-
Norway: Designing Policy Approaches under Article 6-Phase 1 - GIS Global		335,413	-
Nordic Development Fund for gender capacity development		2,945	-
Total Deferred Income from Earmarked Contribution	$	**12,636,655**	**7,208,429**
Total Deferred Income	$	**12,932,554**	**14,042,144**

17. Lease

A. Adoption of IFRS 16

(a) Adjustments recognized on adoption of IFRS 16

On adoption of IFRS 16, GGGI recognized lease liabilities in relation to leases which had previously been classified as 'Expenditure'. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019. The weighted average lessee's incremental borrowing rate 3.92% applied to the lease liabilities on January 1, 2019 differs based on the related country office locations.

(In USD)		January 1, 2019
Operating lease commitments disclosed as at January 1, 2019	$	5,347,117
Discounted using the lessee's incremental borrowing rate of at the date of initial application		5,083,246
add: finance lease liabilities recognized as at January 1, 2019		-
(Less) Recognition exemption for :		
- short-term leases recognized on a straight-line basis as expense		(82,065)
- leases low-value assets recognized on a straight-line basis as expense		(3,354)
(Less): contracts reassessed as service agreements		-
Add/(less): adjustments as a result of a different treatment of extension and termination options		-
Add/(less): adjustments relating to changes in the index or rate affecting variable payments		-
Lease liability recognized as at January 1, 2019	$	**4,997,827**
Current lease liabilities	$	1,335,013
Non-current liabilities		3,662,814
Total Lease liability	$	**4,997,827**

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognized right-of-use assets relate to the following types of assets;

		January 1, 2019
Properties	$	5,386,488
Motor vehicles		50,919
Total right-of-use assets	$	**5,437,407**

The change in accounting policy affected the following items in the balance sheet on January 1, 2019:
- right-of-use assets – increase by USD 5,437,407
- Deposit – decrease by USD 83,104
- lease liabilities – increase by USD 4,997,827
- ARO liabilities – increase by USD 356,476

The net impact on retained earnings on January 1, 2019 was not incurred.

(b) Practical expedients applied

In applying IFRS 16 for the first time, GGGI has used the following practical expedients permitted by the standard:
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

17. Lease(Continue)

B. As a lessee

Until the 2018 financial year, leases of land and buildings, vehicles, office equipments were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease. IAS1(117)

From January 1, 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

(a) Right-of-use assets

Changes in Right-of-Use Assets in 2019 are as follows;

(in USD)		Office building	Vehicles	2019 Total
Balance at 1 January	$	5,386,488	50,919	5,437,407
Depreciation charge for the year		(1,293,896)	(25,460)	(1,319,356)
Balance at 31 December	$	4,092,592	25,459	4,118,051

(b) Lease liabilities

Changes in lease liabilities in current year and undiscounted lease liabilities at December 31, 2019 are as follows;

(in USD)		Current	Non-current	2019 Total
Balance at January 1, 2019	$	1,335,013	3,662,814	4,997,827
Interests for the year		51,766	120,905	172,671
Repayment of lease liabilities		(1,362,637)	-	(1,362,637)
Liquidity substitution for the year		1,144,755	(1,144,755)	-
FX Surplus		(30,761)	(89,843)	(120,604)
Balance at December 31, 2019	$	1,138,136	2,549,122	3,687,257

(in USD)		2019
Maturity analysis- Contractual undiscounted cash flows		
Less than one year	$	1,159,689
One to five years		2,773,201
Total undiscounted lease liabilites at December 31, 2019	$	3,932,891

(c) Impacts on financial statements

(in USD)		2019
Cash outflow for leases Payment	$	1,362,637
Total Cash outflow for lease liabilities	$	1,362,637

17. Lease(Continue)

B. As a lessee (Continued)

(d) Lease payments expensed in current and prior year

GGGI expensed all leases in 2018 in accordance with IFRS 17 and has elected not to recognize a lease liability for short-term leases (leases of expected term of 12 months or less) or for leases of low value assets in 2019 in accordance with IFRS 16. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilites and are expensed as incurred.

(in USD)		2019	2018
Fixed payments	$	37,675	1,679,161
Variable payments		104,598	10,179
Total (*)	$	142,273	1,689,340

(*) The amount expensed in relation to leases is under the account of rental and outsourcing.

Management Letter

March 31, 2020

To the management of the Global Green Growth Institute

Dear Mr. Frank Rijsberman

This letter is provided to you to communicate the key audit procedures, audit findings including control deficiencies, other observations and recommendations identified during our audit on FY 2019 financial statements of Global Green Growth Institute ("GGGI").

In planning and performing our audit of the financial reporting as of and for the year ended December 31, 2019, we considered GGGI's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on GGGI's internal control over financial reporting. Accordingly, we do not express an opinion on GGGI's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

In consideration of our audit scope above, we did not identify any matters significant enough to qualify our audit opinion either individually or in aggregate. Therefore, we have issued an unqualified opinion on March 31, 2020.

As indicated in the audit engagement letter dated September 3, 2019, we would like to draw your attention on the areas explicated below:

- An assessment of the efficiency of the administration, management and internal control system of GGGI.
- Assessment of the internal control systems and their adequacy as a basis for the preparation of the accounts and to establish whether proper accounting records have been maintained.
- Assessment of the administrative guidelines and internal procedures are adhered to (administrative guidelines that we have referenced are as follows).
  - Finance Policies and Procedures Manual
  - Financial Regulations
  - Delegation of Authorities
  - Travel Rules
  - Rules Concerning Engagement and Use of Individual Consultants
  - Staff Rules and Regulations
  - Project Cycle Management Manual
- Assessment of the adequacy of the systems of control over procurement of supplies, equipment and services, hereunder verify whether guidelines regarding procurement are followed (guidelines that we have referenced are as follows).
  - Delegation of Authorities
  - Procurement Rules
- Follow-up on previous audit and review recommendations
  a. ISA 805 engagements (Colombia, Indonesia, GCF Project)

Key Audit Procedures and Findings

Amongst various audit procedures, key audit procedures and findings performed by Samil PwC are described as follows:

(1) *Treasury*

To assess the internal control systems and their adequacy related to bank transactions, we interviewed the treasury manager from the Finance team regarding opening and closing of accounts, performing monthly bank reconciliations, cash disbursement process and management of petty cash. We have confirmed that during cash disbursement, bank account to be disbursed is automatically selected according to their designated project codes and final approval is made by the Finance Director. Also, monthly cash reconciliation is performed and reviewed, approved by the Finance Director.

Findings

Based on the procedures performed, no significant exceptions were found.

(2) *Fixed Assets and Intangible Assets*

To assess the internal control systems and their adequacy related to fixed assets and intangible assets, we performed walkthrough with the Finance team member regarding approval of purchase and disposal of fixed assets. We have confirmed that asset acquisitions require approval of purchase requisitions and purchase orders and approvers for each steps are automatically assigned according to the delegation of authorities. Also, after the project manager uploads expense journal entry and requests invoice approval, the Finance team ultimately approves the invoice and the entry. We tested the operating effectiveness of the internal controls by performing sample tests for expenses occurred during 2019 and inspecting approved invoices and other supporting documents.

Findings

Based on the procedures performed, no significant exceptions were found.

(3) *Revenue and receivables*

To assess the internal control systems and their adequacy related to revenue recognition, we performed walkthrough with the Finance team member regarding project management starting from project and budget creation and approval to monthly revenue recognition from deferred income. We confirmed that project agreements are appropriately approved by authorities and project information such as core or earmarked classification, project duration and budget are appropriately reviewed and approved.

In addition, we tested the operating effectiveness of internal controls related to revenue recognition by inspecting sampled revenue journal entries and deferred income reconciliation file and determine whether monthly projects expenses are appropriately aggregated and approved by the Finance Director to be recognized as revenue from earmarked funds and whether deferred income reconciliation file that reconciles the recalculated deferred income balance with the amount in the trial balance is approved by the Finance Director.

During test of details of revenue from core funds and increase of deferred income, we reviewed each samples' grant agreements, invoices, milestone reports if applicable and cash-in documents to determine whether revenue and deferred income was appropriately recorded, and were recorded in the correct period.

Findings

Based on the procedures performed, we have found that revenue recognition period for the core fund from Department for International Development (hereinafter "DFID") of United Kingdom was uncertain, because the accounting period of UK DFID starts from April and ends in the following year. For contributions received during 2019 which in the Memorandum of Understanding between UK DFID and GGGI states to be funding for 2019 and 2020, considering the nature of the contribution, GGGI recognized revenue at the time it was received.

(4) Travel and Outsourcing Expenses

To assess the internal control systems and their adequacy related to travel and outsourcing expenses, we interviewed with the Finance team member regarding approval procedures for travel and outsourcing expenses. We have confirmed that in order for travel expenses to be charged and approved, approved travel requests and travel mission reports are necessary and outsourcing expenses require purchase requisition, purchase order and invoice approval process. We tested the operating effectiveness of the internal controls by performing sample tests for expenses occurred during 2019 and inspecting approved invoices and other supporting documents.

Findings

Based on the procedures performed, no significant exceptions were found.

(5) Payroll and Employee Benefits

To assess the internal control systems and their adequacy related to payroll, employee welfare and employee benefits, we performed a walkthrough over human resources processes such as input of employee information, monthly payment and calculation of salary, time budget approval process etc. with the HR team. Also, during the course of our audit of financial statements we have tested the mathematical accuracy of salary and vouched monthly salary payment with corresponding bank documents and payroll registers.

Findings

Based on the procedures performed, no significant exceptions were found.

(6) Financial Reporting and Closing Activities

To assess the internal control systems and their adequacy related to financial reporting and closing activities, we interviewed with the Finance team manager regarding the team's closing activities and have reviewed the Finance Policies as a basis for the closing guidelines of GGGI. During our audit of financial statements, we have reviewed data that the management used for financial statements.

Findings

Based on the procedures performed, no significant exceptions were found. We note that the management has appropriately performed financial closing and reporting procedures and only for disclosure requirements for IFRS 9 and IFRS 16 the management was not fully informed. However this will be resolved in the near future as experience builds.

ISA 805 Engagements

Samil PwC is engaged to perform additional audit services according to International Standard of Auditing 805. The country programs audited are as follows:

- Indonesia Country Program under Norwegian Funding for the year from January 1, 2019 to December 31, 2019
- Colombia Country Program under Norwegian Funding for the year from August 1, 2019 to December 31, 2019
- Green Climate Fund Readiness and Preparatory Support Program under Green Climate Fund's funding for the year from January 1, 2019 to December 31, 2019

Key audit procedures and findings performed by Samil PwC are described as follows:

(1) Grants

We have vouched grants received in cash for the year ended December 31, 2019 with corresponding disbursement request, receipt letter and cash-in bank documents and have confirmed that all cash disbursements were made through approved documents and according to the grant agreements. We have not found any significant exceptions.

(2) *Expenditures*

We have performed sample tests for expenditures occurred during the year, focusing on top expense groups such as outsourcing, travel, rental expenses and inspected approved purchase agreements, invoices, PO and other supporting documents. Also, we performed recalculation of overhead by using the overhead rate approved by the grantor. We have not found any significant exceptions.

(3) Personnel Costs

Among staff that work for the country programs, we have performed sample tests by inspecting samples staff's contracts and also sampled among personnel costs and recalculated them according to approved charge-out rate. Charge-out rates are approved during the approval of the grant agreement and are used for calculating personnel costs. No significant exceptions have been found.

Subsequent events

No significant subsequent events after the period end date noted that should be reflected onto FY 2019 financial statements.

This letter is intended solely for the information and use of GGGI and is not intended to be and should not be used by anyone other than GGGI.

If you would like any further information or would like to discuss any of the issues raised, please contact Yongbeom Seo (+82-2-3781-9110, yongbeom.seo@pwc.com)

Very truly yours,

Yongbeom Seo

Samil PricewaterhouseCoopers