



Global Green Growth Institute

The Council

Written Procedure

August 7, 2020

Decision on COVID-19 Solidarity Salary Reduction

The Council,

Recalling Article 8 of the Agreement on the Establishment of the Global Green Growth Institute (GGGI), regarding the Council of GGGI;

Recalling Rule 2 of the Rules of Procedure of the Council [[C/8/DC/2/Annex 1/FINAL](#)], outlining the functions of the Council;

Noting the recommendation of the Management and Program Sub-Committee (MPSC) at its Twelfth Meeting on July 9, 2020 to request Council approval to implement temporary staff salary reduction measures as part of a set of measures in response to reduced core contributions from Members as a result of budget pressures caused by the COVID-19 pandemic;

Noting that the Secretariat's Management is preparing a set of measures to reduce the 2020 deficit as much as possible, and prepare a balanced budget for Council review as part of the Work Program and Budget 2021-2022 in response to the changing external conditions experienced by GGGI;

Noting that if all cost reduction measures, including this salary reduction, are implemented, the estimated operating deficit in 2020 is forecast to be USD 5.4 million, which would reduce the balance of reserves to USD 13.2 million at the end of 2020, and noting the discussions of the MPSC at its Twelfth Meeting on July 9, 2020 regarding the importance of maintaining a healthy level of reserves;

Recalling the Council Decision on Increasing the Level of GGGI's Working Capital [[C/2019/DC/7](#)] from USD 10 million to USD 15 million in 2020;

Approves the Management to proceed with executing the COVID-19 Solidarity Salary Reduction from August 1, 2020 to December 31, 2020 as outlined in the Annex.

/End

Annex: COVID-19 Solidarity Salary Reduction

COVID-19 Solidarity Salary Reduction

GGGI will implement a temporary COVID-19 solidarity salary reduction for the period of August 1, 2020 to December 31, 2020 (5 months) on the base salary of staff:

- 0% for national staff in developing and emerging economies;
- 5% for national staff in high-income countries (Hungary, Korea, UAE);
- 10% for international staff;
- 15% for executives.
- The salary reduction will be implemented as a temporary deduction from base salary, after calculating benefits, i.e. not affecting benefits, including those calculated as a percentage of salary.
- Affected staff will be offered 4 additional annual leave days in 2020 in compensation for the salary reduction.

The COVID-19 solidarity salary reduction is estimated to reduce staff cost in 2020 by USD 550 thousand.