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Hybrid Meeting Agenda #6

GGGI Strategy 2030 & COVID-19 Recovery
Memo Addendum to Strategy 2030:
GGGI's work alignment with COVID-19 Recovery?

PURPOSE/ACTION REQUIRED

Members of the Council will be invited to:

☒ Approve the Strategy 2030 Addendum at the Hybrid Meeting	☐ Provide feedback on _____
☐ Endorse and recommend to Council _____	☐ Other (please specify) _____

CONTEXT/BACKGROUND

GGGI's Strategy 2030 was approved by the Council in October 2019 prior to COVID-19 pandemic. When COVID-19 hit, GGGI operations and the economies of its Members and partners have been hard hit by the pandemic. The COVID-19 crisis came to exacerbate the climate crisis that countries around the world are facing. In October 2020, the Council requested GGGI Management to conduct the review of Strategy 2030 and assess its alignment to the priorities and needs of the Members and partners in the context of COVID-19 recovery. The review provided an opportunity to integrate new program solution area(s) as well.

SUMMARY

The review of Strategy 2030 was conducted in a four-phase approach. First, the review started with the analysis of green stimulus packages, intentions and needs from governments and needs of our Members and partners, which resulted into identifying ten categories of priorities: (1) Job Creation; (2) Finance including Green Investments; (3) Accelerated Climate Action (NDCs); (4) Sustainable Agriculture and Food Security; (5) Good Policy Framework; (6) Poverty Reduction and Social Inclusion/Equity; (7) Sustainable Urban Development; (8) Natural Ecosystems/Biodiversity and Sustainable Landscapes; (9) Renewable Energy and Energy Efficiency; and (10) Sustainable Mobility. These are well-covered by the Global Operational Priorities in Strategy 2030, translated into the ten Programmatic Solutions in the 5-Year Roadmap 2021-2025.

Second, at the operational level, the review looked at GGGI's preparedness in terms of systems, business processes, and expertise to support Members and partners. The conclusion is that GGGI is well prepared and positioned to support Members and partners in their COVID-19 recovery efforts and climate actions.

Third, at the programmatic level, the review covered the several strategic choices made by GGGI: (i) Integrating COVID-19 recovery support in the 5-Year Roadmap and the Work Program and Budget (WPB) 2021-2022 as reflected in Country Business Plans (CBP); (ii) Launching the Campaign for Blue Skies and Net Zero 2050 in the Republic of Korea to support the efforts for more ambitious climate targets, promote Green New Deal and commitment to the NetZero pledge from the government and private sector; (iii) Using USD 0.5 million of core resources (granted by the UK) to support nine countries to prepare Green New Deals in Burkina Faso, Caribbean (OECS), Colombia, Fiji, Hungary, Mexico, Mongolia, Peru, Rwanda; (iv) Mobilizing USD 15 million of earmarked funding oriented towards NDCs, Green Recovery and Green Deal projects, in collaboration with GGGI and Qatar Fund For Development (QFFD) and the United Kingdom Partnering for Accelerated Climate Transitions (UK-PACT).

Fourth, the review incorporated a new program area, Carbon Pricing, to support Members and partners in: (1) Policy design by strengthening policy planning, regulatory frameworks, and institutional capacity for pricing carbon; (2) Design and structuring of transactions; and (3) Knowledge sharing.

The review demonstrates the relevance of GGGI's strategic orientations, the effectiveness of its operational and programmatic responses to COVID-19 impacts on the organization and its Members and partners, and the importance of Carbon pricing as a new cross-cutting program area moving forward.

The Strategy 2030 Addendum was presented to and endorsed by Management and Program Sub-Committee (MPSC) at its thirteenth session in June 2021.

Annex 1: GGGI Strategy 2030 & COVID-19 Recovery
Annex 2: Draft Decision on the Strategy 2030 Addendum

Annex 1

GGGI Strategy 2030 & COVID-19 Recovery

Memo Addendum to Strategy 2030: How is GGGI's work aligned with COVID-19 Recovery?

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List of Abbreviations

BAU	Business as Usual
CBP	Country Business Plan
CPU	Carbon Pricing Unit
CRM	Customer Relationship Management
DAC	Development Assistance Committee
ERP	Enterprises Resource Planning
GDP	Gross Development Product
GGGI	Global Green Growth Institute
GHG	Green House Gas
GO	GGGI Online
GOP	Global Operational Priorities
IPSD	Investment and Policy Solutions Division
NDC	Nationally Determined Contributions
ODA	Oversees Development Assistance
OECD	Organization for Economic Cooperation Development
PACT	Partner of Accelerated Climate Transitions
QFFD	Qatar Fund For Development
SDG	Strategic Development Goal
SIDS	Small Island Developing States
SO	Strategic Outcomes
UK-PACT	United Kingdom Partner of Accelerated Climate Transitions
WPB	Work Program and Budget
WHO	World Health Organization

Executive Summary

The Strategy 2030 sets the course and ambitions of GGGI to support its Members and partners transform their economies into a green growth model. During the Ninth Session of the Assembly and Thirteenth Session of the Council (Joint Session), held on 28 October 2020 Delegates commended that Strategy 2030 has well positioned GGGI to support and address the needs of Member and partner countries including the emerging challenges of the COVID-19 pandemic. However, the Council was of the view that since Strategy 2030 was approved in 2019 before the COVID-19 pandemic, it requested Management to *review and update Strategy 2030 in light of the COVID-19 impacts* so that it remains a relevant and effective guide for GGGI over the next decade. In line with the Council's Decision, this document which will be a "Memo addendum to Strategy 2030", presents the review of the relevance of GGGI's strategic orientations and the effectiveness of the operational and programmatic responses to COVID-19 impacts on the organization and its Members and partners.

Based on the analysis of several green stimulus packages and intentions as well as needs from governments for GGGI Members and partners, the priority areas are grouped in the following ten categories: (1) Job Creation; (2) Finance including Green Investments; (3) Accelerated Climate Action (NDCs); (4) Sustainable Agriculture and Food Security; (5) Good Policy Framework; (6) Poverty Reduction and Social Inclusion/Equity; (7) Sustainable Urban Development; (8) Natural Ecosystems/Biodiversity and Sustainable Landscapes; (9) Renewable Energy and Energy Efficiency; and (10) Sustainable mobility. In 2020, before GGGI embarked on the roll out of the Strategy 2030, the Organization made the support to Members and partners COVID-19 Recovery and Green New Deals development a centerpiece of our programming. The Global Operational Priorities (GOP) of Strategy 2030 together with the ten Programmatic Solutions (Green Investments, Climate Action, Climate Resilient, Sustainable Forests, Coastal Resilience, Waste Management, Sustainable Mobility, Green Buildings, Solar PV, Green Industries) demonstrate the strong alignment of GGGI strategic orientations with the priorities of Members and partners for green COVID-19 recovery.

At the programmatic level, GGGI made several strategic choices. The Work Program and Budget (WPB) 2021-2022 has the COVID-19 recovery support integrated into the planning direction and reflected in Country Business Plans (CBP). GGGI and the Climate Change Center launched the Campaign for Blue Skies and Net Zero 2050 in the Republic of Korea to support the efforts for more ambitious climate targets, the promotion of Green New Deal and commitment to NetZero pledges from the government and private sector. GGGI made strategic use of USD 0.5 million of core resources (granted by UK government)to support nine countries to prepare Green New Deals in Burkina Faso, Caribbean (OECS), Colombia, Fiji, Hungary, Mexico, Mongolia, Peru, Rwanda. GGGI has also oriented earmarked funding efforts towards Green Recovery, which resulted into mobilizing USD 15 million directed towards NDCs, Green Recovery and Green Deal projects. GGGI and Qatar Fund For Development (QFFD) are collaborating to implement Green Entrepreneurship development in Eastern Caribbean and the Pacific; Climate Smart Agriculture in Kiribati; and Solar irrigation and Climate Smart Agriculture in Senegal River Valley to create green jobs. GGGI and the United Kingdom are collaborating to implement the Partnering for Accelerated Climate Transitions (PACT) initiative through 2 projects in Colombia for rural renewable electrification & and bioeconomy policy and investments; 1 project in Peru to support its first sovereign green bond issuance; 1 project in Mexico to accelerate green finance flows.

Several countries have receiving NDC planning, and implementation capacity enhancement support. GGGI has developed and used several tools and frameworks to demonstrate the potential of greening the COVID-19 recovery plans, to advise and guide Members and partners on the key sectors and climate actions that will provide substantial co-benefits of delivering climate commitments while ensuring social and economic co-benefits. For example, in the case of Indonesia and Mexico GGGI assessed that millions of green jobs will result from implementing renewable energy targets in country NDCs. In Fiji, a recent GGGI study estimated that green growth could generate 2.1 and 3.2 times more jobs by 2030 and 2050, respectively—mainly in *electricity*, *transport, and forestry* —compared to business as usual (BAU). In Cambodia, GGGI analysis estimated that greening key industrial sectors of Cambodia—*food processing, bricks, garments, and electronics manufacturing* would provide an additional 512,000 jobs relative to BAU by 2030. GGGI has developed several knowledge products and resources available to Members and partners for capacity building and knowledge sharing.

At the operational level, while first ensuring its staff safety and health, GGGI was well prepared for the pandemic: maintaining business continuity and effectiveness through the use of a suite of online systems and tools to support decentralized and efficient remote working. GGGI's own pledge to become a zero-carbon organization by 2050 is another important aspect to highlight. GGGI's commitment in Strategy 2030 is to reduce our emissions by 40% by 2030. In the Post-COVID New Normal, this target may be accelerated.

This Strategy 2030 Review adds a new programmatic area on *Carbon Pricing* as a cross-cutting solution which was not included when the Council approved it in 2019. GGGI is strengthening its expertise in this space to support Members and partners in three areas: (1) Policy Design by strengthening policy planning, regulatory frameworks, and institutional capacity for pricing carbon; (2) Design and structuring of transactions; and (3) Knowledge sharing.

In conclusion, the review demonstrates that Strategy 2030 remains relevant and well aligned to the priorities of our Members and partners in the COVID-19 context to help for a green recovery and build back better. The pertinence of the strategic outcomes and programmatic solutions to accelerate climate actions post-COVID-19, the effectiveness of GGGI's responses to COVID-19 Recovery and supports for Green New Deals development, and the availability of the expertise through GGG's delivery model of trusted green growth advisory role embedded within governments of Members and partners reinforces the relevance of Strategy 2030 in the COVID-19 New Normal.

1. Strategy 2030 Key Features

The year 2021 is the first year of the implementation of GGGI's new Strategy 2030 approved by the Council and Assembly in October 2019. This 10-year strategy aims to support GGGI Members transform their economies into a green growth model. Strategy 2030 envisions GGGI to grow and expand from the current 33 country programs to reach 50 under the optimum growth scenario. This will require GGGI to grow its annual budget from USD 55 million to USD 110 million by 2030. At this scale, GGGI targets to mobilize over USD 16 billion in green and climate finance commitments for its Members. Our ex-ante attribution impact assessment estimates that at this scale, GGGI will support its Members to reduce Green House Gas (GHG) emissions by an estimated one million gigaton of CO2e, generate two million green jobs, provide sustainable services to 100 million people, save 0.5 million of hectares of forests and support 8 million people cope with climate change.

GGGI's own pledge to become a zero-carbon organization by 2050 is another is another key feature of Strategy 2030. In 2019 GGGI's own GHG emissions were estimated to more than 1,200 tons, with 80% coming from air travel and the remainder from facilities. Due to the pandemic, we traveled very little, which impacted on the organization emissions. GGGI's commitment in Strategy 2030 is to reduce our emissions by 40%. Building on the emissions reduction due to travel restrictions, GGGI's has stepped up and made its own NetZero pledge. With the ambition to join the ranks of the carbon-neutral organizations starting from 2020, the plans for the future include to: (1) Limit GGGI's travel drastically to no more than 50% of pre-COVID level; (2) Reduce emissions from facilities as much as possible; and (3) possibly off-set the remainder (to be further discussed with Council).

GGGI's unique value proposition lies in its ability to support Members through its embedded country operations with policy advice and development of bankable projects that lead to the implementation of green growth policies and the mobilization of green and climate finance. GGGI focuses on Members Nationally Determined Contributions (NDCs) capacity enhancement, implementation of ambitious NDCs and Sustainable Development Goals (SDGs), greening COVID-19 recovery plans and developing Green New Deals to accelerate climate action post COVID-19 and advocating for more commitments to NetZero pledge.

2. COVID-19 Context, Impacts and Main Expectations from Governments

The global shock from the widespread health, trade, and socio-economic impacts of COVID-19 since 2020 was unprecedented and devastating for all countries including GGGI Members and partners. The pandemic had spread with alarming speed, infecting millions of people and forcing a global lock down in 120 countries. bringing economic activity to a near standstill as countries-imposed restrictions on cross-border and internal movement to halt the spread of the virus.

By early July 2020, there were 11.5 million confirmed cases and 535,000[1] confirmed deaths and the full impact of the health and economic crises are still unfolding. By the end of 2020, the full outcome and magnitude of the disruption were even far worse. According to WHO, there were over 110 million confirmed cases and 2.5 million deaths in 2020[2] alone. According to the World Bank, the pandemic has plunged most countries into recession in 2020, with GDP shrinking between 2 to 7 percent[3]. With vulnerable countries and Small Island Developing States (SIDS) being among the worst affected, these downturns have reversed years of progress toward sustainable development goals and tipping as many as 500 million people back into poverty. Governments around the world have mobilized vast sums of money, with total stimulus estimated at about US$14-15 trillion in public spending by late February, to deal with the immediate consequences of the economic slowdown as a result of the pandemic. Of the total economic stimulus packages announced by the leading economies, an estimated US$4.6 trillion (approximately one-third) will be provided to sectors that directly impact environment and climate (i.e., agriculture, industry, waste, energy, and

[1] WHO Situation report of 6 July 2020.
[2] Coronavirus disease 2019 (COVID-19) Situation report – WHO Dashboard March 3, 2021
[3] World Bank Group, COVID-19 to Plunge Global Economy into Worst Recession since World War II (worldbank.org)

transport). However, only US$1.8 trillion of this could be counted as "green"[4]. In other words, to date, the bulk of the recovery stimulus has not been allocated to "Building Back Better".

However, not all is doom and gloom. In the short-term, the environmental impacts of the COVID-19 crisis were positive particularly in high pollution cities and countries. It brought blue skies and clean air in many metropolitan cities, lowered greenhouse gas emissions and brought wildlife back to urban streets. Unfortunately, just like after the global financial crisis in 2008-9, it appears that emissions and air pollution are bouncing back to pre-COVID levels in 2021.

The worst health and economic crisis in recent history has made governments scrambling for responses to limit the damage and impact on their societies and economies. Although the scale of devastation is still dramatic at this stage especially in the developing nations, some countries have begun to breathe life back into their failing economies through the implementation of economic rescue and recovery and targeted investments, but the full effects of this pandemic on the economy and society are yet to be fully understood.

2.1. Overview of Challenges and Issues

The economies of GGGI's Members and partners have suffered from the global economic crisis due to the COVID-19 pandemic, some more than others. According to the World Bank, the pandemic has plunged most countries into recession in 2020, with Gross Domestic Product (GDP) shrinking between 2 to 7 percent.[5] With vulnerable countries and Small Island Developing States (SIDS) being among the worst affected through the decimation of their predominant tourism sector, these downturns have reversed years of progress toward sustainable development goals and tipping as many as 115 million people back into extreme poverty.[6] The pandemic has decimated jobs causing widespread unemployment and placing millions of peoples' livelihoods at risk. According to the World Health Organization (WHO), nearly half of the world's 3.3 billion global workforce are at risk of losing their jobs, from formal to informal sectors.7 Food security was affected by the pandemic which disrupted the entire international and domestic food system and supply chains through border closes, trade restrictions and confinement measures preventing farmers from harvesting their crops and accessing and supplying the markets.[8] Within this unfolding and highly unpredictable environment, governments are under enormous pressure to stop the spread of the virus and invest in economic recovery packages while facing budget short falls and widening fiscal deficits, declining tax revenues and rising debt. The record levels of debt in some Member countries have made them more vulnerable to economic shocks and limited their ability to finance emergency rescue or recovery packages and essential government public good and services such as utilities, infrastructure, education and health services, and social welfare payments.

Increasingly, Members and partners have become conscious of the need to address both the climate crisis and the socio-economic impacts of the pandemic. Since many countries lack capacity to develop suitable policy responses, assistance provided by international institutions and development partners such as GGGI is needed. In terms of greening countries economic recovery, several Members and partners have also reached out to GGGI to assist with their Green COVID Recovery Plans preparation and Green New Deal initiatives which seek to integrate economic

[4] According to the Greenness of Stimulus Index, issue of February 2021, Vivid Economics. Data from IMF Policy Tracker. https://www.f4b-initiative.net/post/global-covid-19-stimulus-continues-to-damage-environment-but-us-could-catalyse-greener-recovery

[5] World Bank. *The Global Economic Outlook During the COVID-19 Pandemic: A Changed World.* Accessed on 1.3.21 at *https://www.worldbank.org/en/news/feature/2020/06/08/the-global-economic-outlook-during-the-covid-19-pandemic-a-changed-world*

[6] World Bank. COVID -19 to Add as Many as 150 Million Extreme Poor by 2021. Access on 13.21 at *https://www.worldbank.org/en/news/press-release/2020/10/07/covid-19-to-add-as-many-as-150-million-extreme-poor-by-2021#:~:text=The%20COVID%2D19%20pandemic%20is,severity%20of%20the%20economic%20contraction*.

[7] World Health Organization, 2021. Impact of COVID-19 on Peoples Livelihood, their Health, and our Food Systems. Sighted on 14.3.21 at https://www.who.int/news/item/13-10-2020-impact-of-covid-19-on-people's-livelihoods-their-health-and-our-food-systems.

[8] World Health Organization, 2021. Impact of COVID-19 on Peoples Livelihood, their Health, and our Food Systems. Sighted on 14.3.21 at https://www.who.int/news/item/13-10-2020-impact-of-covid-19-on-people's-livelihoods-their-health-and-our-food-systems.

recovery with creation of jobs, poverty reduction and protection of vulnerable groups, reducing carbon emission, protecting natural ecosystems and biodiversity.

As widely experienced by the international development organizations around the world, the impacts of the COVID-19 pandemic also directly and indirectly challenged GGGI's business operation and the implementation of its programs and projects due to lockdowns, travel restrictions, and other COVID-19 measures limiting staff mobility and engagement with government counterparts and other local stakeholders. GGGI's core donor funding was cut by USD 6.2 million while there were delays in the signing of some earmarked funding agreements which together caused some delays in project implementation.

2.2. COVID-19 Recovery: Expectations and Priority Areas of our Members and partners

Since mid-2020, GGGI had started working with our Members and partners to support the greening of their COVID-19 recovery packages. GGGI's approach is built on the organization's delivery model of country teams embedded in Government counterparts, and its broad focus on job creation, policy and institutional capacity development, access to sustainable services and climate action. GGGI's Members and partners expectations and priority areas for COVID-19 recovery are grouped in the following ten categories:

1. **Job creation** – Members are focused on the creation of jobs through investments and development of micro, small and medium-sized enterprises as their highest priority to support the large numbers of people and households that are without a source of livelihood due to job and business losses. In the case of LDCs and SIDs, creating green jobs and becoming more resilient to climate change are much more highlighted than reducing emissions.

2. **Financing including green investments** – Most Member countries are focused on mobilizing funds including concessional loans, bonds, and grants from multiple sources to fund their recovery and rescue plans as well as provide direct budgetary support in some countries. The promotion of green investment projects will support this effort.

3. **Accelerated climate action** – Members are committed to accelerate climate action in their country programs through the adoption of more ambitious NDCs that promotes greater policy action and investment in climate adaptation to build more resilient communities and minimize the risks and impacts of climate change from results of global warming and adverse weather conditions and natural disasters.

4. **Sustainable agriculture and food security** – Members seek to address the underlying food security and malnutrition challenges especially in poor countries and countries that are already suffering from food security during pre-COVID times. The focus is to increase investments and efforts in climate smart agriculture and sustainable commercial and subsistence food production, guarantee access to food for the population through improvements in supply chains and logistics.

5. **Good policy frameworks** – A first key step in countries' COVID recovery will be the review and adaptation of existing policies as well as the formulation and implementation of new policy responses that are backed by science, and evidence-based analysis. Members will seek external support to strengthen their institutional capacity for policy strengthening and implementation such as in the promotion of green growth supported by GGGI.

6. **Poverty reduction and social inclusion/equity** – Members are focused on ensuring that humanitarian and recovery assistance are mobilized to reach those most in need in an equitable manner. These include cash transfers for unemployment support and business stimulus, and tax breaks. Particular attention will be paid to the situation of women, and other disadvantaged groups.

7. **Sustainable urban development and green cities** – As the primary and central habitats for modern human occupation, Members are rethinking the planning and development of cities through policy and investment shifts to support green, climate-resilient, inclusive, and prosperous urban futures.

8. **Natural ecosystems/biodiversity and sustainable landscapes** – Adopting nature-based solutions such as reforestation/deforestation and maintaining and restoring natural capital provides a basis to tackle the interrelated challenges of climate change, biodiversity loss, deforestation, food security, water scarcity, unemployment, and poverty.

9. **Renewable energy and energy efficiency** – In response to the uncertainty, supply shocks and risks caused by the COVID-19 pandemic in the energy sector, Member's will support clean energy transitions through the promotion of renewable energy and energy efficiency policies and programs.

10. **Sustainable mobility** – With transportation being a major air pollutant and source of carbon emission in cities of some Member countries such as Nepal, Jordan, Rwanda and Lao PDR, the adoption of electric vehicles including buses are being widely promoted as a solution for clear air and emission reduction.

These priorities to address the key challenges and issues that countries are facing from COVID-19 from Members and partners are not new to GGGI. Both GGGI's pre-COVID works and the strategic orientations in Strategy 2030 translated into programmatic solutions in the 5-year Roadmap covers these abovementioned expectations and priorities of our Members and partners.

3. GGGI Operational Responses to COVID-19 Situation

GGGI, like its Members and partners, has been significantly affected by the COVID-19 pandemic particularly, its operations in 33 countries across the regions which still face severe challenges due to government lockdowns and economic pressure. While ensuring its staff safety and health first, GGGI was well prepared for pandemic maintaining business continuity and effectiveness through the use of online systems and tools to support decentralized and efficient remote working. Customer Relationship Management (CRM), GGGI Online (GO) for project management and Enterprise Resource Planning (ERP) all enable business processes and decision making virtually and support decentralized and effective remote working. Noting that pandemic is likely to continue throughout WPB 2021-2022 implementation, GGGI is revisiting its culture of work by adopting new principles and rules based on the lessons learned from 2020 to adjust to the New Normal under COVID-19. The areas of readjustments include the rules on work from home, remote work and remote assignment, and the resourcing to ramp up implementation.

4. GGGI Programmatic Responses to COVID-19 and Sustainability Crisis: Building Back Greener & Better

The supports GGGI provide to Members and partners to green their recovery plans and build back better going forward are outlined in the Roadmap 2021-2025, the WPB 2021-2022 and the subsequent projects implemented throughout the years.

4.1. Relevance of Strategy 2030 Strategic Orientations

The relevance of GGGI's Strategy 2030 strategic orientations is assessed through the five Global Operational Priorities (GOP), the ten Programmatic Solutions and the six Strategic Outcomes (SO) against the priorities of Members and partners identified in section 2.2. Table 1 presents the relevance of GGGI's GOPs and programmatic solutions in supporting the priorities of Members and partners COVID-19 Recovery Plans.

Table 1. Alignment of Strategy 2030 Global Operational Priorities and Programmatic Solutions with the Members and partners COVID-19 Recovery Plans

Strategy 2030 GOPs and Programmatic Solutions / Priorities in Members & partners COVID-19 Recovery Plans	GOP 1	GOP 2	GOP 3			GOP 4					GOP 5
	1. Green Investments	2. Climate Action	3. Climate Resilient Agriculture	4. Sustainable Forests	5. Coastal Resilience	6. Waste Management	7. Sustainable Mobility	8. Green Buildings	9. Solar PV	10. Green Industries	Cross cutting issues to be integrated into programs as appropriate
1. Job Creation	√	√	√	√	√	√	√	√	√	√	√
2. Finance including Green Investments	√	√	√	√	√	√	√	√	√	√	√
3. Accelerated Climate Action (NDCs)		√	√	√	√	√	√	√	√	√	√
4. Sustainable Agriculture and Food Security	√	√	√						√		√
5. Good Policy Framework	√	√	√	√	√	√	√	√	√	√	√
6. Poverty Reduction and Social Inclusion/Equity	√	√	√	√	√	√	√	√	√	√	√
7. Sustainable Urban Development	√	√				√	√	√	√	√	√
8. Natural Ecosystems/Biodiversity and Sustainable Landscapes	√	√	√	√	√						√
9. Renewable Energy and Energy Efficiency	√	√	√			√	√	√	√	√	√
10. E-mobility	√	√						√			√

Furthermore, the strategic orientation of the priorities of Members and partner countries COVID-19 green recovery plans are also closely aligned with GGGI's six SOs. This alignment ensures that the implementation of their green recovery plans will enhance their green growth transformation into low carbon, resilient, socially inclusive and environmentally sustainable economies.

4.1.1. GGGI's 5-Year Roadmap 2021-2025 Integration of New Green Deal & COVID-19 Recovery Supports

The Roadmap 2021-2025 is the primary action plan to guide the implementation of the first five years of Strategy 2030. The 5-Year Roadmap preparation in the first half of 2020 coincided with the time GGGI started early in the pandemic the conversations with its key partners from the Members and donors' community to put the support for green COVID-19 recovery packages at the heart of the organization programming. GGGI targets an investment mobilization of USD 4.7 billion by 2025 for its Members and partners. At that scale, the organization's attributed impact targets are presented in the Table 2 below against the Strategy 2030 targets.

Employment is the number one priority for all GGGI Members and partners' green recovery plans. As outlined in the impact targets in Strategy 2030 as well as the Roadmap 2021-2025, GGGI has prioritized green jobs work for several years and this strategic outcome is mainstreamed in all our planning documents.

Table 2. Strategic Outcomes Attributed Impact Targets 2021-2025[9]

Strategic Outcome (SO) Targets	GGGI attributed outcomes	
Year	**2025**	**2030**
SO1: GHG emission reduction (Mton CO2e)	300	1000
SO2: Direct Green jobs (million jobs created)	0.5	2
SO3: Sustainable services (Million people)	40	100
a. Energy access	10	30
b. Sanitation	4	10
c. Waste	20	80
d. Transport	6	20
SO4: Air Quality Improvement	Not Available	Not Available
SO5: Natural Capital protection (Million hectare)	0.1	0.5
SO6: Adaptation services (Million people)	2	8

The green COVID-19 recovery supports are strategically aligned with the ten programmatic solutions which operationalize the five programmatic GOPs of Strategy 2030 as set out in section 8.0 of the Roadmap 2021-2025 document which can be accessed here (LINK).

The general trend from advanced economies – some of them GGGI Members and partners such as Australia, Korea, Canada, EU – is that green recovery plans focus on building sustainability through increased effort in renewable energy, energy efficiency, electric mobility, and stepped-up investments in clean technology, to name a few key areas. The level of investments in green recovery from emerging economies stimulus packages – India being an example of GGGI geographical coverage – is strongly focused on agriculture and forestry-based employment. However, GGGI Members and partners from developing economies and SIDS have been struggling to secure the massive investments needed for their green recovery. The lack of public financial resources due to the collapse in revenues, and the raising debt and debt services as the results of the pandemic related economic contraction.

[9] The 2025 SOs attribution targets were estimated using the same top-down approach and methodology for calculating the 2030 SO attribution targets in Strategy 2030. It was calculated using the approximation of cumulative targeted green investment commitments from 2021 to 2025 which was distributed across identified priority areas of investment activities by GGGI country programs and multiplied by the respective investment multipliers. Due to the lack of data and related projects, impact estimates for SO4 (improved air quality) were not carried out. They will be assessed and provided by the end of 2021.

Building climate adaptation and resilience in all GGGI programming, there is a strong alignment of GGGI's Strategy 2030 and the Roadmap 2021-2025 with the priorities of our Members and partners in greening their COVID-19 recovery plans. GGGI's technical expertise for policy advisory and green investment mobilization are crucial to translating the recovery plans into actionable programs and projects. Several publications and knowledge products are made available as resources to our Members and partners to guide and share the tools and lessons learned. Together they form the value add the organization brings to its Members and partners to remain relevant.

4.1.2. WPB 2021-2022 and GGGI Support to Members to Green COVID-19 Recovery Plans

In the Work Program and Budget (WPB) 2021-2022 – as the short-term programming tool for the implementation of the 5-Year Roadmap 2021-2025 – GGGI has systematically integrated the support to Members and partners to green their COVID-19 recovery into the planning. With operations budget ranging from USD 131 million (Minus scenario) to USD 166 million (Plus scenario) over the biennium, GGGI targets to mobilize close to USD 2 billion of green investments for its Members and partners. Figure 1 below presents the budget distribution over the programmatic solutions which are crucial to green COVID-19 recovery ambitions. Some examples include:

- Renewable energy and energy efficiency – studies and reports from several organizations including GGGI have demonstrated that investments in renewable energy and energy efficiency create employments 2 to 5 times greater than fossil fuel investments. GGGI published a report in 2020 that demonstrated that implementation of the NDCs submitted by Mexico and Indonesia would generate millions of green jobs through renewable energy investments alone.
- Resilient, low carbon tourism sector – this is a sustainable pathway for restoring and safeguarding COVID-19 impacted livelihoods in Pacific and Caribbean SIDS through short-term and long-term transformational change towards a more resilient, low carbon tourism sector.
- Restoration of degraded forest landscapes and building climate resilient agricultural systems – as the largest employment sector pre-COVID, the efforts to support Greening Africa's Recovery from the COVID-19 pandemic impact through green job creation and financial incentives are crucial.

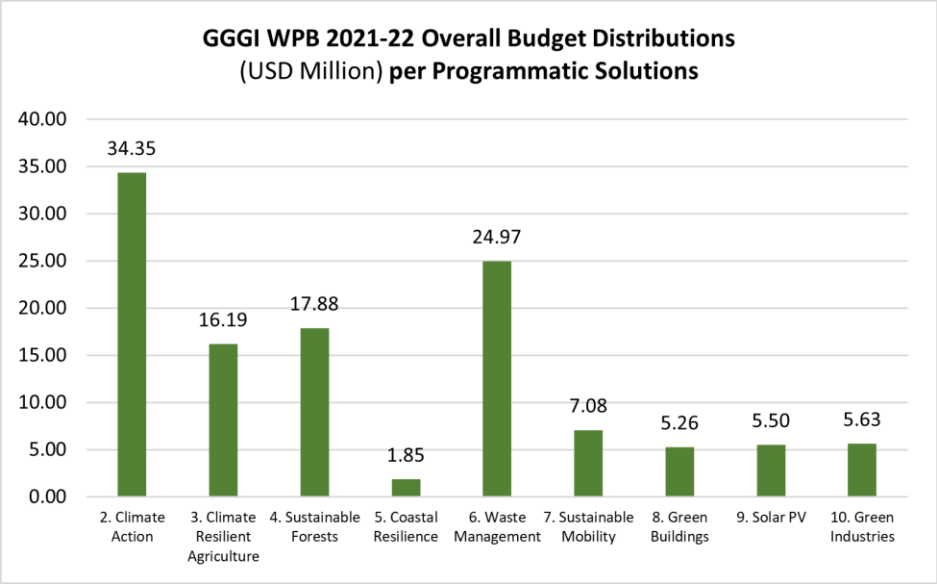

Figure 1. Overall Budget Distributions per Programmatic Solutions (USD million)

The COVID-19 recovery integration to programming allows GGGI to support both the objectives of short-term economic recovery and long-term economic growth that is socially inclusive and environmentally sustainable. The types of programs and projects range from climate smart agriculture to agriculture value-chains, off-grid energy, green urban infrastructure, forest restoration, digital solutions for energy efficiency, waste management, electric mobility, smart cities, circular economy, sustainable forest and agriculture value chain, and green tourism development. All these projects are supported by accelerated access to green investments that are aligned with increased climate actions to implement the NDC commitments ensuring that the COVID-19 recovery addresses the needs of women, indigenous populations, and the poor.

Given that small and medium enterprises provide the bulk of employment, particularly for lower income groups in developing countries, GGGI has developed programs to support entrepreneurs build green businesses and create green jobs. Such programs, called Greenpreneurs, are particularly relevant to support recovery from the pandemic, and GGGI is implementing such programs in the Pacific and Caribbean small island developing states, with support from QFFD, as well as in a number of additional countries, including Colombia, Philippines, and Vietnam.

4.2. Effectiveness of GGGI's Responses to COVID-19 Recovery and Green New Deals Development

From the massive stimulus packages of about USD14-15 trillion in public spending announced by late February 2021 by governments of advance economies around the world, an estimated USD4.6 trillion (approximately one-third) will be provided to sectors that directly impact environment and climate (i.e., agriculture, industry, waste, energy, and transport). However, only USD1.8 trillion of this was counted as ""green" although the share of green in the total global stimulus has increased from close to zero percent in mid-2020, to over 10% by early 2021[10]. Emerging economies have invested a smaller share of their stimulus in a green recovery, while Developing economies, have made limited investments in green recovery to date, mainly because of their lack of financial resources resulting from the collapse in revenues. GGGI is playing a crucial role with other development partners, to provide supports to governments from Members and partners to green the COVID-19 recovery going forward.

GGGI worked with 29 countries in 2020 to revise and enhance their NDCs for resubmission to the Paris Agreement, and has prioritized support for greening the recovery from the pandemic, in a manner that accelerates climate action. In July 2020 GGGI published a report that analyzed opportunities for a green recovery[11], as well as a model Green New Deal appropriate for developing and emerging economies[12]. In Mexico, GGGI developed detailed green recovery recommendations at the sub-national level for three states, published in January 2021.[13] GGGI has been using 6 main approaches to support the green recovery and green new deal projects of Members and partners in emerging and developing economies, as outlined in **Figure 2**.

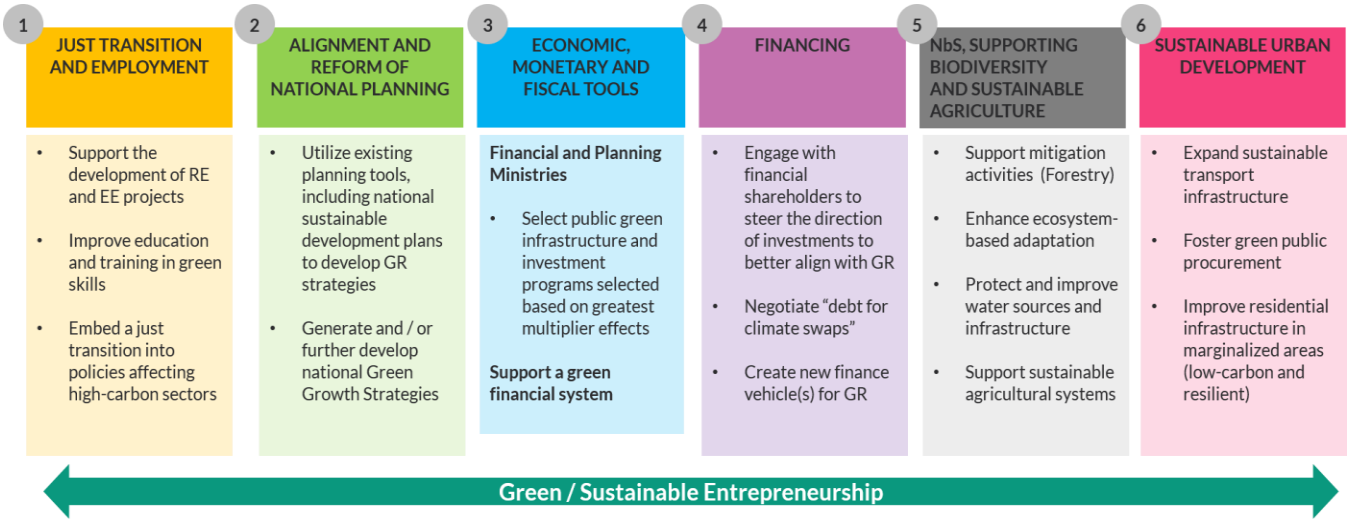

Figure 2. GGGI's Approaches to Green Recovery and Green New Deals for Emerging and Developing Countries

GGGI also worked with donor agencies and member countries to develop projects to support a green recovery and is currently supporting 13 countries in developing a green recovery, green new deal plans and investment projects with financial support from Denmark, GCF, Korea, NDCP, Norway, QFFD and UK-PACT. The distribution of the interventions per region is presented as follows:

[10] According to the Greenness of Stimulus Index, issue of February 2021, Vivid Economics. Data from IMF Policy Tracker. https://www.f4b-initiative.net/post/global-covid-19-stimulus-continues-to-damage-environment-but-us-could-catalyse-greener-recovery

[11] GGGI Technical Report 13, "Achieving Green growth and Climate Action Post-COVID19" https://gggi.org/report/achieving-green-growth-and-climate-action-post-covid-19/

[12] GGGI Insight Brief 3, "Green Deals to accelerate Climate Action Post-COVID19" https://gggi.org/report/greendeal-to-accelerate-climate-action-post-covid-19_202010-4-2/

[13] GGGI, CAID

- Asia and the Pacific: Fiji - Greening Tourism Recovery; Lao PDR – Resilient Recovery Rapid Readiness Support; Mongolia - Assessing green jobs from renewable energy/Post-Coal future.
- Africa: Burkina Faso - Greening next national 5-year plan; Cote d'Ivoire – Green Recovery; Rwanda - Green jobs from greening affordable; Senegal – Green recovery and Sustainable Landscapes; Uganda – NDC Partnership Economic advisory support.
- Europe: Hungary – Co-benefits of the Green New Deal.
- Latin America and Caribbean: Colombia - national "post-coal" green jobs strategy; Mexico - Implementing Subnational Green Recovery Initiatives; OECS - Use of the Green Growth Index Simulation tool to assess greening of recovery in OECS countries; Peru - national Green New Deal.

4.2.1. GGGI's Core Resource for Green COVID-19 Recovery and New Green Deals

The year 2021 is the first year of Strategy 2030 implementation. In 2020, before GGGI embarks into the roll out of the Strategy 2030, the Organization's has been making the supports to Members and partners COVID-19 Recovery and Green New Deals development a centerpiece of our programming. The strategic use of the core resources, towards NDCs, Green Recovery & Green Deal projects have resulted in USD 0.5 million of GGGI core resources to support 9 countries in Burkina Faso, Caribbean (OECS), Colombia, Fiji, Hungary, Mexico, Mongolia, Peru, and Rwanda. The various projects are described below.

- **Burkina Faso – Green Growth Strategic assessment of the Economic and Social National Plan 2.0**
  The project will through the Green Growth Strategic assessment review the 4 new axes of the PNDES 2021-2025. This project is a huge opportunity as its time bound happening once every five years and its well aligned with Global Operational Priority 2 of GGGI which focuses on supporting GGGI members in strengthening policy planning, regulatory frameworks, and institutional capacity to achieve green growth outcomes by mainstreaming green growth and low emission development strategies into national policy to create the enabling policy and regulatory environment for green growth implementation.

- **Caribbean OECS – Green Growth Performance Management for OECS**
  The overall objective of the project is to develop a useful basis for use of the GG Index to support monitoring of regional frameworks in OECS, to secure additional resources to support ongoing related work in the future.

- **Colombia – National Post Coal Green Jobs Strategy**
  The ultimate goal of the project is to have the Climate Neutral Coal Strategy to be implemented and linked with the Colombia's COVID-19 recovery package investments, to transition towards a forestry based green economy that increases green jobs and reduce GHG emissions.

- **Fiji – Powering the Sustainable Tourism Planning and Recovery**
  The goal of this project is to support development of green COVID-19 recovery component in Fiji's new Sustainable Tourism Development Framework (STDF) and to support the adaptation of the regional STDF to the national Fiji context, to create green jobs and transition to a sustainable tourism industry and contribute to NDC, SDG and LEDS targets in terms of CO2 emission reduction.

- **Hungary – Hungary: development of the National Clean Growth Strategy and Policy Support for the EU Green Deal**
  For this project GGGI will lead the development of the comprehensive LTS and support policy positions by the Government of Hungary under the European Green Deal and contribute to achieving climate neutrality by 2050 in Hungary and strong economic growth.

- **Mexico – Subnational Green Recovery in Mexico**

The project will support one subnational State of Mexico implement GGGI's green recovery recommendations through the development of insight brief including the socio-economic impacts assessment of 1 to 2 shortlisted activities/projects (i.e., employment potential and co-benefits) and to develop a green investment plan for these projects.

- **Mongolia – Energy Sector Employment Assessment: Preparing for a clean energy future**
  It is important that the barriers to renewable energy expansion are addressed and investments made to capitalize on the energy transition globally and in Mongolia to ensure no one is left further behind. Given the macro-economic challenges facing Mongolia additional evidence to support and accelerate transformation of the energy sector is needed, especially in Covid Pandemic situation. Studying the impacts of Mongolia's energy market transformation on employment can help to make the case for continued implementation of the 2030 targets, create space for policy dialogue about further transformation of the energy sector and enhanced climate ambition, and help workers transition and gain access to decent green jobs.

- **Peru – Support for Peru Green Bond Issuance**
  In response to the COVID recovery and in the framework of the National Competitiveness Plan, the Peruvian government is seeking to increase the availability of innovative finance mechanisms. This includes the issuance of a green/sustainability bond in 2021. To this end, GGGI and the ministries of Environment and Economy and Finance have jointly identified the following technical support needs: Development of green bond framework that will define the parameters and types of projects for bond investment, support for project prioritization and evaluation process and criteria, potential identification and contact with third party verification for green/sustainability bond framework, Capacity building for public servants and Initial communications material for green/sustainability bond promotion.

- **Peru – Supporting Peru's Green COVID Recovery through Employment Creation**
  The ultimate goal of this project is to have number of green jobs pledged as part of Peru's Green COVID Recovery, to include Green jobs in the National Agenda of the New Administration.

- **Rwanda – Supporting Rwanda's Green Economic Recovery: Urbanization through Affordable Housing and Climate Resilient Urban Settlements**
  The project aims at supporting Rwanda's Economic Recovery through accelerating Affordable Housing as one of the critical productive sectors that could catalyze broader economic growth and job creation. Critical policies, strategies, instructions, and guidelines are currently undergoing review or elaboration to accelerate the investment potential of the sector. This presents an opportune time to embed elements to green the affordable housing sector with the aim of focusing on youth employment creation, innovation and scalability of initiatives.

4.2.2. Strategic Earmarking Funding for Green COVID-19 Recovery

GGGI has been successful in mobilizing earmarked funding in line with its targeted support for vulnerable countries and priorities countries of resource partners. The examples described below cover the collaboration with the Qatar Fund For Development (QFFD) and the United Kingdom (UK) Partnering for Accelerated Climate Transitions (PACT) in Africa, Latin America & Caribbean, and Pacific regions.

- **Eastern Caribbean – Eastern Caribbean Green Entrepreneurship Initiative**
  The USD 2.64 million project collaboration between GGGI and the Qatar Fund For Development (QFFD) will establish a regional Eastern Caribbean Green Entrepreneurship Initiative, building on Greenpreneurs projects implemented by the GGGI in recent years, as well as the Organization of Eastern Caribbean States' (OECS) years of experience in supporting competitive businesses in the region. The initiative will offer incubation and accelerator programs, including virtual courses, a mentorship program, in-person events, and networking opportunities in 6 OECS member states, targeted at green businesses whose business models include solutions

aimed at contributing their country's climate and sustainable development goals. Overall, the initiative is targeted at directly facilitating the creation of 3,000 greens job in the region, over a 3-year period, and indirectly improving the lives of over 12,000 people in those employees' households, and 300+ entrepreneurs to be supported.

- Pacific – **Pacific Green Entrepreneur Network**
  The USD 2.45 million project collaboration between GGGI and the Qatar Fund For Development (QFFD) will enhance economic resilience and opportunities in the Pacific through increased employment and green jobs (3,000+ green jobs) and greater climate change action by women and youth-led MSMEs (110+ businesses to be formed and 300+ entrepreneurs to be supported).

- Kiribati – **Climate Smart Agriculture**
  The USD 1.8 million project collaboration between GGGI and the Qatar Fund For Development (QFFD) will enhance climate resiliency, green job creation, reduced poverty and improved nutrition and health through technology, education and capacity building and livelihoods development in the agriculture sector in Kiribati. When implemented, up to 40 schools could receive CSA equipment to grow nutritious vegetables in school gardens; 6000+ students will receive awareness training; 55 local micro agri-businesses will be supported; 11000+ will benefit from food security and healthy local vegetables; with reduced import and household costs, new earnings and jobs, and enhanced climate resilience.

- Senegal – **Solar-Powered Irrigation for Climate-Smart Agriculture in the Senegal River Valley**
  The USD 2.9 million project collaboration between GGGI and the Qatar Fund For Development (QFFD) will increase the capacity of sub-national entities to design, plan, structure and implement renewable energy solutions for non-interconnected areas, develop Sustainable Rural Energization Plan(s) for priority regions (Departments) and strengthen project proposals submitted to MME´s Royalties System Program. The project will also deliver technical assistance to selected private sector developers to develop replicable off-grid electrification business models and bring selected projects to bankability and financial close. When implemented, up to 21 pumping stations will be switched from grid powered irrigation pumps to solar power; 3000+ farmers will receive CSA training while 350+ will receive cash-for work for CSA in 1,800 ha of irrigated land; 5500+ farmers will have improved incomes from reduced costs; 6000+ direct jobs could be created, with potential to create many times of indirect and induced jobs; and 27,000 tCO2 emissions could be avoided.

- Colombia – **Scaling up rural electrification via capacity building to public and private actors**
  The USD 0.63 million project collaboration between GGGI and the United Kingdom (UK) Partnering for accelerated Climate Transitions (PACT) will increase the capacity of sub-national entities to design, plan, structure and implement renewable energy solutions for non-interconnected areas, develop Sustainable Rural Energization Plan(s) for priority regions (*Departamentos*), and strengthen project proposals submitted to MME´s Royalties System Program (SGR3). The project will also deliver technical assistance to selected private sector developers to develop replicable off-grid electrification business models and bring selected projects to bankability and financial close.

- Colombia – **Accelerating development of new bioeconomy businesses and enhanced capacities for green jobs promotion and increased climate action ambition from policy implementation and integration**
  The USD 0.57 million project collaboration between GGGI and the United Kingdom (UK) Partnering for Accelerated Climate Transitions (PACT) will deliver technical assistance and capacity building to improve the implementation of the long-term GGP (CONPES 3934), primarily through capacity building for green jobs promotion, acceleration of bioeconomy businesses, and reinforcement of GGP tracking, reporting and integration with 2030 Agenda targets. All three workstreams are demand-driven and aligned with the green recovery efforts put forth by the national government to counterbalance the post-COVID19 economic crisis.

- **Mexico – Implementing Green City COVID Recovery through data-driven analyses**
  Through the USD 0.62 million project collaboration between GGGI and the United Kingdom (UK) Partnering for Accelerated Climate Transitions (PACT), GGGI will work with three city governments in Mexico and their planning institutes to use data to inform recovery efforts, link these with sustainable practices and increase revenue to fund them.

- **Peru – Capacity building to the government of Peru to support its first sovereign green bond issuance**
  The USD 0.62 million project collaboration between GGGI and the United Kingdom (UK) Partnering for Accelerated Climate Transitions (PACT) is designed in response to the COVID recovery and in the framework of the National Competitiveness Plan. The Peruvian government is seeking to increase the availability of innovative finance mechanisms. This includes the issuance of a green/sustainability bond in 2021. Peru's first sovereign GB issuance accelerates the country's low-carbon transition, supporting the implementation of national climate policies, financing a green recovery and improved transparency of investments.

- **Peru – Developing and embedding an NDC Capital Raising Strategy**
  The USD 0.62 million project collaboration between GGGI and the United Kingdom (UK) Partnering for Accelerated Climate Transitions (PACT) will support increased institutional capacity of domestic institutions to plan, mobilize and access private and public capital in support of national climate ambitions through developing an NDC Capital Raising Strategy, supporting its uptake and use through capacity building and developing financing partnerships with international financial institutions.

4.3. Tools and Frameworks for Green Recovery Supports (CAID)

GGGI has developed four main tools and frameworks to support Members and partners to come up with Green COVID-19 Recovery Plans and develop Green New Deals. **Figure 3** presents an overview of the tools and frameworks and the key areas of impacts they focus on. The subsequent sections provide more description of the objectives and usages of each tool. Together with the six approaches presented in Figure 2, they form the foundation of GGGI's growing expertise to strengthen its position as trusted green growth advisors to our Members and partners during and in the post-COVID era.

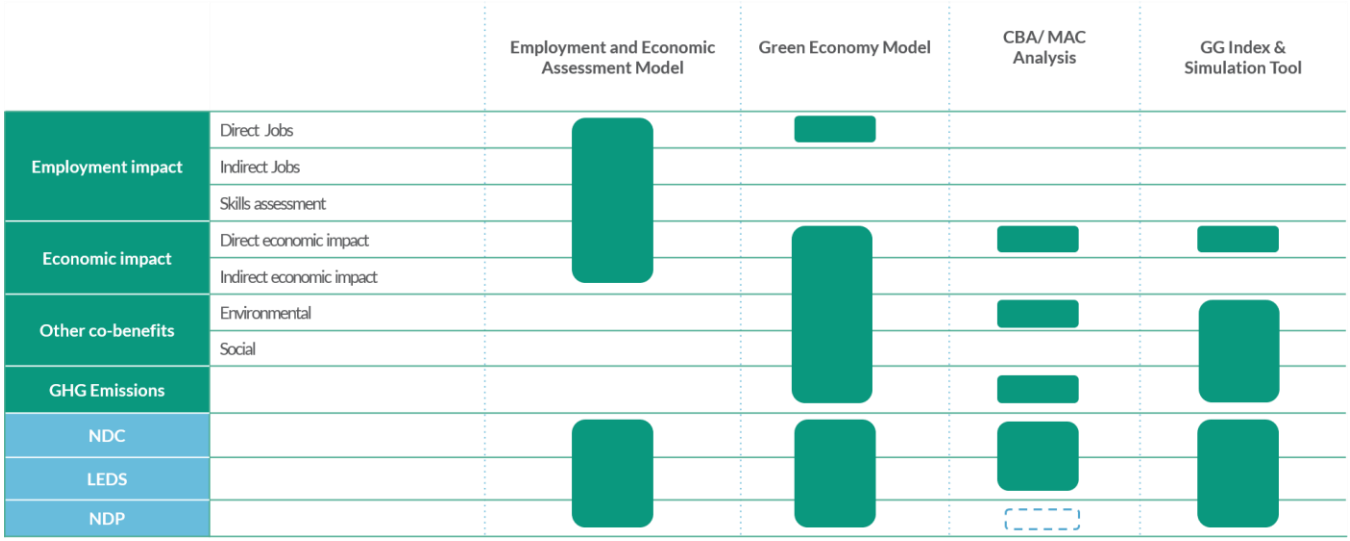

Figure 3. GGGI's tools and frameworks used to develop Green COVID-19 Recovery Plans and Green New Deals

The four tools and frameworks GGGI use are:

i. **Employment and economic analysis tool** – an input-output model that uses available country data to assess the occupations and skills requirement at across the levels of the renewable energy sector value chain to determine skills requirements v skills supply.

ii. **Green economy model** – this model uses key macroeconomic indicators to generate integrated cost-benefit analysis by intervention type such as project and policy, with "what if" scenarios to support policy formulation and assessment.

iii. **Marginal abatement cost analysis tool** – is used to assess the cost of low carbon technologies and measures per ton of carbon abated hence helps to quantify the abatement potential of different climate mitigation interventions taking into account their abatement cost.

iv. **Green growth index and simulation tool** – to assess green growth performance integrating SDG indicators and targets relevant to the four dimensions of green growth including efficient and sustainable resource use, natural capital protection, green economic opportunities, and social inclusion.

4.4. GGGI Publications and Knowledge Products

4.4.1. Publications

- Technical Report No.12 - **Employment Assessment of Renewable Energy: Power Sector Pathways Compatible with NDCs and National Energy Plans** (LINK) **– June 2020**
- Technical Report No.13 - **Achieving Green Growth and Climate Action Post-COVID-19** (LINK) **– July 2020**
- Technical Report No.19 - **Green Recovery and Climate Action: Assessing Green Jobs from Renewable Energy and Forestry Investments for Developing and Emerging Economies** (LINK) **– August 2021**
- Insight Brief No.3 - **Green Deals to Accelerate Climate Action Post-COVID-19** (LINK) **– October 2020**

Other occasional publications and brochures include:

- **Tracking Increase in Women's Employment in the Renewable Energy Sector Under NDC Targets-An Employment Assessment of Renewable Energy Targets under the Nationally Determined Contributions (NEAR-NDC) Project** (LINK) **– July 2020**
- **GGGI's Services on Supporting the Development of LT-LEDS** (LINK) **– October 2020**
- **How to Get Stuff Done through Sustainable Investment Clusters** (LINK) **– December 2020**

4.4.2. Knowledge Products and Resources

GGGI has been developing a series of knowledge products and resources accessible to Members and partners for the purpose of information and experience sharing, capacity building and advisory on the practice, the tools and the state of art planning and design practices to adapt to the new normal or virtual working, green the COVID-19 Recovery Plans, develop Green New Deals and enhance NDC capacity and implementation.

The following knowledge products and resources are available in the links provided as follows:

- **Virtual Event Transformative Green Growth Knowledge Sharing** (LINK)**, Green Deal & Green COVID Recovery (October 26, 2020, 15:00 KST)**
- **Peace Talk Pandemic crisis, climate change, and multilateral cooperation** (LINK)
- **The Role of Carbon Markets in Recovering from COVID-19** (LINK)
- **Green Deals: Greening COVID-19 Recovery & Achieving Net-Zero 2050** (LINK)
- **Blue Skies and Net Zero 2050 Campaign Round Table** (LINK)
- **GGGI Activities in the Caribbean. NDC Accounting, Tracking, and Modelling** (LINK)
- **Sustainability after COVID 19: Building gender equality into the response** (LINK)
- **Sustainability After COVID 19: Voices from GGGI, OECD, UNEP and World Bank** (LINK)

4.5. Campaign for Blue Skies and NetZero 2050

GGGI and the Climate Change Center are serving as a joint secretariat for the Campaign for Blue Skies and Net Zero 2050 in the Republic of Korea which was launched in December 2019 to build stronger public awareness of both air pollution and climate crises and demonstrate support for ambitious, bold action to tackle these crises. The campaign gained momentum in 2020 with the topics clearly aligned with and supporting the efforts for more ambitious climate targets, the promotion of Green New Deal and commitment to NetZero pledge from the government. GGGI and over 35 partner organizations have come together in the Campaign on Blue Skies and NetZero2050 to raise awareness of the air pollution and climate crisis, increase public support for decisive action by the ROK government to commit to NetZero2050, and halt government support for fossil fuel projects internationally.

The Campaign Secretariat, led by GGGI and the Climate Change Center, highly appreciates the announcement by President Moon Jae-in on October 28, 2020 to commit to achieving carbon neutrality by 2050. With strong support from GGGI's President and Chair Mr. Ban Ki-moon, the 8th Secretary General of the United Nations, GGGI has offered to support the Government of Korea to meet its net zero emissions pledge. GGGI remains confident and excited about what we can deliver as a collective alliance with our Campaign partners and prospective partners. GGGI and the Campaign partners are committed to supporting the Republic of Korea achieve carbon neutrality by 2050 and meet its net zero emissions pledge through the Campaign for Blue Skies and Net Zero 2050 in the country.

The Campaign has attracted more than 40 partners, from private sector, civil society organizations, international organizations and embassies. A complete overview of all partners is provided in the updated Campaign brochure. Since early 2020, the Campaign partners have co-organized a number of Climate Talk and Net Zero 2050 events to raise public awareness of the importance of climate action here in Korea and to share the experiences of other countries in the transition to a net zero target. The series of Climate Talk and Net Zero events Include the events: (i) with the Kingdom of the Netherlands which featured speakers from European Embassies; (ii) with the Embassy of New Zealand featuring discussions on climate action in New Zealand and the Pacific Island Countries: (iii) with the ECCK on the ECCK – GGGI Energy & Environment Seminar in July 2020 to collaborate on ideas for Green New Deals and green recovery from COVID-19: (iv) with the Campaign co-leads GGGI and the Climate Change Center on the Blue Skies & Net-Zero 2050 Campaign Round Table on September 7, 2020; and (v) recently with the Embassy of Chile in Korea. It is important to note the contributions from numerous Korea-based media outlets which provided coverage of the event, including a livestream broadcast on the Arirang TV YouTube Channel to raise awareness on the climate crisis topics of the events.

The Campaign continues in 2021 with increased private sector engagement, including with LG Energy Solution which is the first Korean private sector company that has joined. Other private sector partners include the Australian Chamber of Commerce, European Chamber of Commerce, Pepper Savings Bank, Wind Mobility, and embassies of Norway and Chile, while continuing discussions with Korean conglomerates, including Hanwha Q CELLS, SK Innovation, SK Telecom, and LG Chem to help the private sector better understand the importance of supporting climate action and implementing Net Zero targets by 2050. In Korea, we have now seen the first companies, including SK Group, Shinhan Financial Group and LG Chem joining initiatives such as RE100 that are aligned with the NetZero2050 goal. Korean conglomerate Hanwha Group made its first coal exit pledge of 2021. We encourage all Campaign partners to engage actively with their private sector network to encourage them to join the Campaign – and make NetZero or equivalent pledges.

In the lead up to the P4G Seoul Summit on May 30-31, we are slated to co-organize a series of civil society and business events, inviting non-state actors, private sector representatives and the Campaign partners to help private sector companies understand the benefits of achieving net zero emissions by 2050 and deal with an ESG (Environmental Social Governance) strategy, which will become indispensable for Korean businesses to represent their management strategies for this year and beyond.

5. Carbon Pricing Global Practice: Cross-cutting Solution for GGGI Strategy 2030 Implementation (CPU)

Subsequent to the development of Strategy 2030 in 2019 and coinciding with the COVID-19 pandemic in 2020, carbon pricing has emerged as a new area of opportunity where GGGI can support countries, particularly through the mobilization of carbon finance under the Paris Agreement Article 6 Framework. In recognition of this opportunity and the expertise already existing within the organization, GGGI has now incorporated carbon pricing as one of its new areas of program support which is being implemented by the Carbon Pricing Global Practice that was set up under the new structure of the Investment and Policy Solutions Division (IPSD) in late 2020.

Putting a price on carbon emissions has long been seen as not only one of the clearest routes to reduce global GHG emissions but also the quickest way to draw in the private capital in the fight against climate change. This is vitally necessary not only in the recovery from COVID but also on the wider drive to increase emissions reducing ambitions. To do this, countries can set a domestic price on carbon emissions through policy and trading using tools such as carbon taxes and/or emissions trading schemes, or trade internationally in emission rights (credits). To have a 'global price' for carbon is the ultimate goal but such a concept cannot be imposed, instead it develops over time. Price discovery is reached by policy implementation and market development at national level, along with international transactions which gradually develop to become fungible with these national systems. Until we reach a single price we will need to work with a mixture of national taxes and trading schemes along with international bilateral trades and trading mechanisms, all tending towards the single price goal.

The Paris Agreement establishes the framework for two international carbon markets through Article 6. Firstly, bilateral trading; for countries to trade directly between themselves (Article 6.2), and secondly a mechanism (under 6.4) that will give clearer guidelines and supervision for scaled up trading of project level activities. The demand is being created by developed economies, who are setting progressively more stringent targets on emission reductions (including many net-zero pledges) which cannot feasibly be met through domestic mitigation means alone in the short or medium term. The expectation is that the supply will come from the economies (often emerging economies but not exclusively) that will be encouraged to take on a model of 'green growth' to reduce emissions faster than their current set of unconditional NDC goals. By selling this 'excess' of reductions to another country a flow of Carbon Finance comes back into the seller country to rebate for the action, and/or to invest in new action. This is how carbon finance helps to fund the 'enhanced ambition' – beyond NDCs.

As the international carbon market develops over the coming years, it is likely that Carbon Finance flows will become much larger than Climate Finance flows. The pot of ODA-supported Climate Finance is finite; it must be used strategically and only where vitally necessary. However, since Carbon Finance is transactional in nature, it is potentially much larger, can involve the private sector in countries' climate ambitions, and is only restricted by supply and/or demand.

GGGI is ideally placed to help take advantage of this growing area of focus. Embedded within governments and with technical expertise already existing within the organization, a global practice has been developed, initially focused on two earmarked programs, funded by the Norwegian Ministry of Climate and Environment and the Swedish Energy Agency. These programs involve the origination, development, and completion of pilot transactions under Article 6 across seven GGGI member and partner countries. The transactions are designed around both projects and policy approaches. Institutional Strengthening, implementation of governance frameworks and extensive capacity building will ensure a sustainable structure remains in place in each country, allowing them to continue to take advantage of carbon finance by authorization and approval of further carbon transactions.

In term of **Product Offering**, the Carbon Pricing as a Global Practice sits across both the areas of Policy and Investments, as a complimentary and parallel offering to Climate Action (CAID) and Green Investments Services (GIS), as illustrated along GGGI value chain on Figure 4 below.

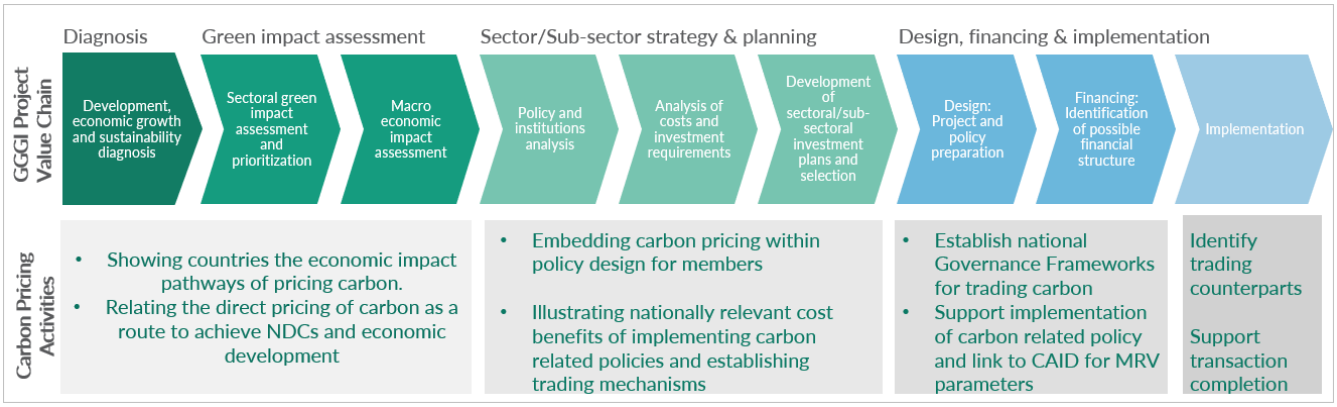

Figure 4. Carbon Pricing alignment with GGGI value chain

The Global Practice covers policy, institutional strengthening and transactions directly related to carbon pricing, by offering the following products:

1. **Policy Design** - Strengthening policy planning, regulatory frameworks, and institutional capacity for pricing carbon:

    a) Policy Planning: Building the Business Case for Pricing Carbon, showing how pricing carbon within an economy has direct and calculatable impacts on the economy enabling increased ambition;

    b) Regulatory Frameworks and Institutional Capacity: Working with governments institutions to design the governance frameworks needed to authorize and manage participation in Paris Agreement era markets;

    c) Linking with other areas of GGGI such as CAID to help establish the MRV, registry and inventory management systems needed for trading.

2. **Design and Structuring of Transactions**: In order to reach the desired outcome of scaling up the flows of carbon finance to lower cost mitigation activities, it is important to identify not only the buyers and sellers to a transaction but also suitable activities at the right cost to trade, this will be done by:

    a) Design and Financing: Originating new activities, through both the GGGI pipeline and externally and then structuring the project finance for the activity by working with GIS teams where needed or by using carbon finance alone;

    b) Implementation – pairing buyers and sellers at mutually agreeable prices to then negotiate bilaterally to complete transactions.

3. **Knowledge Sharing**: furthering thought leadership in methodological concepts around pricing carbon and trading under the Paris Agreement. Investigating concepts such as Additionality, Baseline Setting, Attribution and Pricing through:

    a) Knowledge Products;

    b) External Engagement with industry.

6. Conclusions

The Strategy 2030 review exercise gave GGGI an opportunity to test the strategic orientations set out for GGGI over the next ten years against the key priorities of Members and partners in this context of sustainability, health, and economic crisis. Among the many things COVID-19 pandemic has taught us, money is available when there are political commitments. Governments around the world have mobilized vast sums of money to deal with the immediate consequences of the economic slowdown as a result of the pandemic. By late February it was estimated that a total stimulus of about US$14-15 trillion in public spending had been announced by governments around the world. Of the total economic stimulus packages announced by the leading economies, an estimated US$4.6 trillion (approximately one-third) will be provided to sectors that directly impact environment and climate (i.e., agriculture, industry, waste, energy, and transport). However, only US$1.8 trillion of this was counted as ""green", although the share of green in the total global stimulus has increased from close to zero percent in mid-2020, to over 10% by early 2021[14]. In other words, this represents the last chance for Members and partners to address the climate crisis as they will indebted for decades to come, with little to no room for such funding opportunities in future. This put us in a "last chance" situation to get it right.

Another aspect of this stimulus situation is that the close to USD1.8 trillion allocated to green purposes represent many times the volume of the Oversees Development Assistance (ODA) climate finance spent not in developing countries but in advance economies in the mostly in the North. The Organization for Economic Cooperation Development (OECD) Development Assistance Committee (DAC)'s statistical measurement and monitoring of climate- and environment-related development data revealed that out of USD113 billion ODA funding, about USD35 billion or 31% focuses on the environment while USD29 billion, or 26% supports climate (noting that these two figures mostly overlap, they cannot be added up). The OECD DAC's tracks the following five areas: (1) environment; (2) climate mitigation; (3) climate adaptation; (4) biodiversity; and (5) desertification., France (67%), Japan (48%), Sweden (47%), Canada (42%), Germany (42%), UK (42%) are leading providers of green ODA. The race to "Green New Deals and Net-Zero 2050" puts pressures on governments to green their ODA. GGGI is well-placed to work with its Members and partners to green the ODA (environment and climate finance combined) to accelerate the green growth transformation of their economies into a green growth model.

GGGI's Strategy 2030 review has comforted the organization for the following reasons: (i) Relevance of the strategic orientations with the top needs and priorities of Members and partners in the context of COVID-19; (ii) Strong alignment of the programmatic solutions with the priorities of Members and partners; (iii) Pertinence of GGGI Strategic Outcomes impact areas with the priorities of Members and partners; and (iv) Availability of expertise and experience from GGGI to provide the supports to Members and partners to build back greener and better. The supports to Members and partners COVID-19 Recovery, Green New Deals development and linked to NDC capacity enhancement and implementation, have been a centerpiece of our programming and Strategy 2030 delivery. The strategic use of the core resources, together with our ability to orient the earmarked funding towards NDCs, Green Recovery & Green Deal projects have resulted into USD15 million with USD 0.5 million of **GGGI core resources** to support 9 countries to prepare ***Green New Deals*** in Burkina Faso, Caribbean (OECS), Colombia, Fiji, Hungary, Mexico, Mongolia, Peru, Rwanda; and the rest from earmarked funding directed to Green Recovery & Green Deal projects, and NDCs planning and implementation. GGGI and Qatar Fund For Development (QFFD) are collaborating on a USD 10 million: to implement Green Entrepreneurship development in **Eastern Caribbean** ($2.64m) and the **Pacific** ($2.45m); Climate Smart Agriculture in **Kiribati** ($1.8m); Solar irrigation and Climate Smart Agriculture in **Senegal** River Valley ($2.9m) to create green jobs. GGGI and UK are collaborating on a USD 2.5 million to implement the Partnering for Accelerated Climate Transitions (PACT) initiative through 2 projects in **Colombia** for rural renewable electrification & and bioeconomy policy and investments ($1.2m); 1 project in **Peru** to support its first sovereign green bond issuance ($650k); 1 project in **Mexico** to accelerate green finance flows ($618k).

Using the tools and frameworks presented in section 4.4. GGGI has been able to demonstrate the potential of greening the COVID-19 recovery plans, advising and guiding Members and partners on the key sectors and climate actions that

[14] According to the Greenness of Stimulus Index, issue of February 2021, Vivid Economics. Data from IMF Policy Tracker. https://www.f4b-initiative.net/post/global-covid-19-stimulus-continues-to-damage-environment-but-us-could-catalyse-greener-recovery

will provide substantial co-benefits of delivering climate commitments while ensuring social and economic co-benefits. For example, in the case of **Indonesia** and **Mexico** GGGI assessed that millions of green jobs will result from implementing RE targets in country NDCs. In **Fiji**, a recent GGGI study estimated that green growth could generate 2.1 and 3.2 times more jobs by 2030 and 2050, respectively—mainly in ***electricity, transport, and forestry*** —compared to BAU. In **Uganda**, according to EPRC/GGGI/NCE (2016), the green growth transition could generate 1.3 million jobs by 2020, rising to around 4 million in 2040, compared to BAU. ***Sustainable agriculture*** offers the highest potential. In **Cambodia**, GGGI analysis estimated that greening key industrial sectors of Cambodia—***food processing, bricks, garments, and electronics manufacturing*** would provide an additional 512,000 jobs relative to BAU by 2030.

Overall, the effectiveness of GGGI's responses to COVID-19 Recovery and supports for Green New Deals development have demonstrated the relevance of Strategy 2030 to COVID-19 context, the pertinence of the strategic outcomes and programmatic solutions to accelerate climate actions post-COVID. The Campaign for Blue Skies and Net Zero 2050 as GGGI's first initiative implemented in the Republic of Korea, has more than 40 partners, from private sector, civil society organizations, international organizations and embassies. The announcement by President Moon Jae-in on October 28, 2020 to commit to achieving carbon neutrality by 2050 is well in line with the ambitions set in the Campaign. GGGI has offered to support the Government of Korea to deliver on its net zero emissions pledge, as part of GGGI's mandate and commitment to supporting the Republic of Korea achieve carbon neutrality by 2050. In developing Carbon Pricing as a cross-cutting solution in GGGI programming, the Organization has started supporting Member and partners to price carbon which can help GGGI primarily and directly meet its first Strategic Outcome of reducing emissions, then secondarily to create green jobs, increase access to sustainable services and improved air quality.

ANNEX

Table 3 presents two types of information. First, as mentioned in section 4.2, GGGI is currently supporting 13 Members and partners to develop Green COVID-19 Recovery Plans and Green New Deals. They are highlighted in **green**, and the topics covered in the Green COVID-19 Recovery and Green New Deal projects are checked against the ten priorities identified in section 2.2. The list of Members and partners being supported will grow in 2021 and beyond to include more countries which are not yet colored.

Second, the 5-Year Roadmap 2021-2025 provides the implementation plan for Strategy 2030, translated into cycles of short-term detailed Work Programs and Budgets (WPBs). For Members and partners where there are no specific projects on Green COVID-19 Recovery and Green New Deal, the priorities set by GGGI in consultations with Members and partners as outlined in WPB[15] 2021-2022 have been checked against the ten priorities identified in section 2.2.

Legend for Table 3:

	Members and partners currently receiving GGGI supports on Green COVID-19 Recovery and Green New Deals
	Other countries where GGGI has operations but no specific projects on Green COVID-19 Recovery and Green New Deal

Note:

- The 13 countries colored in green are confirmed by CAID/IPSD, GGGI.
- The list of countries in the table includes countries from WPB 2021-2022 and additional new countries for 2021 confirmed by GGPI, GGGI.
- GGGI is in discussion with the Republic of Korea on the support for the implementation of the Green New Deal.

[15] GGGI, Work Program and Budget 2021-2022 Attachment: Compendium of Country and Global Business Plans, 2020, https://gggi.org/site/assets/uploads/2020/11/A20206-C20206-WPB-2021-2022_Compendium.pdf

Table 3. GGGI support on Green COVID-19 Recovery and Green New Deal projects and Alignment of GGGI operations with Member & partners recovery priorities

Region	GGGI Countries	Priority 1 Job Creation	Priority 2 Finance, Green Investment	Priority 3 Accelerated Climate Action	Priority 4 Sustainable Agriculture & Food Security	Priority 5 Good Policy Framework	Priority 6 Poverty Reduction, Social Inclusion	Priority 7 Sustainable Urban Dev.	Priority 8 Natural Ecosystems, Biodiversity, Sustainable Landscapes	Priority 9 Renewable Energy and Energy Efficiency	Priority 10 E-Mobility
Africa	Burkina Faso	V	V	V	V	V	V		V	V	
	Côte d'Ivoire	V	V	V	V		V		V	V	
	Rwanda	V	V	V	V		V	V		V	V
	Senegal	V	V	V	V		V		V		
	Uganda	V	V	V			V	V	V	V	
Asia	Lao PDR	V	V	V				V		V	V
	Mongolia	V	V	V	V	V	V			V	V
LAC	Caribbean	V	V	V		V			V	V	
	Colombia	V	V	V	V	V	V		V	V	
	Mexico	V	V			V				V	
	Peru	V	V	V		V	V		V		V
Europe	Hungary	V	V	V		V	V			V	
Pacific	Fiji	V	V	V	V		V			V	
Other GGGI Countries	Kiribati	V	V	V	V	V		V	V		
	PNG	V	V			V		V		V	
	Tonga	V	V	V		V			V	V	
	Vanuatu	V	V	V		V				V	
	Ethiopia	V		V	V	V	V		V	V	
	Morocco	V	V	V		V	V			V	V
	Zambia	V									
	Mozambique	V					V				
	Angola	V					V				
	Indonesia	V		V		V	V	V	V	V	
	India	V	V	V	V		V		V	V	V
	Cambodia	V	V	V		V	V	V		V	V
	Kyrgyz Republic	V					V				
	Sri Lanka	V	V	V	V	V	V	V	V	V	V
	Myanmar	V		V	V	V	V	V		V	
	Nepal	V	V		V		V		V		V
	Philippines	V	V	V	V		V			V	
	Thailand	V					V				
	Uzbekistan	V	V		V		V		V	V	
	Viet Nam	V	V	V		V	V			V	
	Guyana	V	V	V	V		V		V	V	
	Paraguay	V	V	V		V	V		V	V	V
	Jordan	V	V	V		V	V	V	V		V
	Bahrain	V	V				V				
	UAE	V	V	V	V	V	V	V		V	V

Global Green Growth Institute
Tenth Session of the Assembly and
Fourteenth Session of the Council (Joint Session)
October 11-22, 2021 | E-Consultations
October 28, 2021 | Hybrid Meeting

[Draft] Decision on the Strategy 2030 Addendum

The Council,

Recalling the Agreement on the Establishment of the Global Green Growth Institute (GGGI) [LINK] Articles 2 and 4, regarding the objectives and activities of GGGI, and Article 8(5)(c) on the functions of the Council, which includes approving GGGI's strategy;

Recalling GGGI Strategy 2030 [C/2019/DC/13], adopted at the Eighth Session of the Assembly and Twelfth Session of the Council (Joint Session) on October 24, 2019;

Recalling the Council's request at its Thirteenth Session on October 24, 2021 that GGGI conduct an analysis of its 2030 Strategy to identify the opportunities arising from COVID-19 and to present an addendum in the form of a Memo [A/2020/DC/5-C/2020/DC/13];

Taking note of the endorsement and recommendation by the MPSC, at its Thirteenth Meeting held as e-consultations on June 7-11 and hybrid meeting on June 17, 2021 [MPSC/2021/18], to the Council to approve the Strategy 2030 Addendum;

Further taking note of the discussions of the Assembly and the Council on the Strategy 2030 Addendum during the e-consultations of the Tenth Session of the Assembly and Fourteenth Session of the Council on October 11-22, 2021 [A/2021/12-C/2021/12];

Approves the Strategy 2030 Addendum as attached in the Annex.

/End