

Asia Regional Strategy 2021 – 2025



Annex 2

1. Introduction

The Asia Regional Strategy is a plan for action that will cascade the direction, ambitions, and growth targets from GGGI Strategy 2030 and its 2021-2025 Roadmap to the regional level. It will align the NDC and SDG commitments of GGGI Member and Partner countries in Asia with GGGI's five programmatic and three non-programmatic global operational priorities, and 10 programmatic solutions to accelerate climate resilient green growth. It also serves as the basis for strengthening GGGI's position in its support to Members and Partners in greening their COVID-19 Recovery Plans and developing Green New Deals as part of their long-term strategies to building back better.

GGGI has been active in Asia since its establishment as an international organization in 2012, starting with six countries: Cambodia, Indonesia, Mongolia, Philippines, Thailand, and Viet Nam. At present, GGGI has operations in nine Member countries: Cambodia, Indonesia, Lao PDR, Mongolia, Philippines, Sri Lanka, Thailand, Uzbekistan, and Viet Nam; and will begin its operations in Kyrgyz Republic within 2021. It has operations in three Partner countries: India, Myanmar, and Nepal. In addition, five UN member states have submitted a Letter of Intent to be a Member of GGGI: Kazakhstan, Myanmar, Nepal, Pakistan, and Turkmenistan.

GGGI's Asia country programs have made steady progress that resulted in the adoption of 67 policies between 2015-2020 for mainstreaming green growth and instituting policy targets for effective decarbonization pathways, while delivering on green investment commitments totaling USD 757 million (37% of USD 2.06 billion cumulative total green investments). In 2021, with 13 country operations, GGGI's Asia budget stands at USD 17 million, with 110 staff. With expansion to 16 country operations by 2025, GGGI projects have an annual budget of USD 31 million in 2025, with 141 staff.

2. Regional focus and programmatic solutions

Regional challenges and priorities. For the last two decades, Asia's developing countries have demonstrated strong economic growth, striving for higher income and living standards, marking between 5-7% annual growth on average. However, despite the high quantitative growth, developing Asian countries face common green growth challenges, including vulnerability to climate disasters, consequences of rapid urbanization, erosion of natural capital, persistent poverty and growing income disparity, and gender inequality. COVID-19 has also reversed hard-earned economic growth achievements and increased poverty incidence in Asia. Priorities for Asia to overcome challenges and achieve inclusive sustainable green growth are in enabling the post COVID-19 green recovery and building resilient socio-economic systems; mobilizing public and private sector finance to deliver on enhanced NDCs; expanding uptake of indigenous clean and renewable energies; addressing urban development challenges; promoting resilience in agriculture, coastal, and land use sectors; green jobs creation; strengthening home-grown innovations and supporting private sector development through green entrepreneurship; and increasing access to green growth benefits for women and disadvantaged and vulnerable groups.

Programmatic solutions. GGGI Asia Regional Strategy 2021-2025 will support its Member and Partner governments in achieving their green growth ambitions and become climate resilient through all 10 Programmatic Solutions aligned with GGGI Strategy 2030 and Members and Partners' national and sectoral plans and climate action priorities under NDC targets. Environment and social safeguards, and gender equality and social inclusion principles are applied throughout the country program operations to help ensure that the benefits of its interventions would be widely accessed, including the vulnerable groups.

Low carbon transition of Asia economies must be locked in to achieve NDCs and the 2030 collective climate objectives, as well as its long-term goals of carbon neutrality by 2050. As such, GGGI puts high emphasis on **Green Investment (PS1)** interventions in Asia in the next 5 years, as climate finance and green investments need to be majorly scaled up to implement NDCs and national green development goals. This includes strengthening engagement with private sector to generate bankable investment projects, green entrepreneurship, expansion of green investment activities to various sectors, and efforts in introducing innovative carbon financing mechanisms under Paris Agreement to Members and Partners. GGGI is also highly committed to support its Members and Partners in **Climate Action (PS2)** interventions that will establish and strengthen MRV systems, develop long term low emissions development

strategies, and national and regional adaptation planning and implementation to build resilience from adverse impacts of climate change and natural disasters.

GGGI will provide to its Members and Partners support to green recovery from COVID-19 and environmental disasters, such as through **Climate Smart Agriculture (PS3)** solutions that aim to help the Karakalpakstan Republic in Uzbekistan recover from the Aral Sea disaster impacts, and the farming communities and displaced migrant workers in Terai region in Nepal from COVID-19 related containment measures. These interventions aim to help provide sustainable livelihood for beneficiaries, contribute to food security, and ultimately help the economies transition to green growth trajectory.

The five-year Strategy period is also an opportune time for GGGI to scale up and replicate its successes in its interventions at country and subregional/multi-country level. GGGI will build on its experiences in **Sustainable Landscape (PS4)** and **Coastal Resilience (PS5)** in designing and implementing green investment projects that promote natural capital protection and restoration, as a countermeasure to the degradation and destruction of landscapes and coastal areas in Asia. For **Waste Management (PS6)**, there are opportunities to replicate large-scale waste projects such as municipal solid waste management solutions from Mekong subregion to ASEAN countries, and the BioCNG multi-country project that converts organic waste into energy in a multi-country project that includes India, Indonesia, and Thailand. For **Sustainable Mobility (PS7)**, GGGI sees the high potential to apply its successes, such as in e-mobility deployment in Cambodia and Lao PDR, in other rapidly urbanizing Southeast Asian countries. For **Green Buildings (PS8)**, Central Asia countries could benefit from Mongolia’s experiences in retrofitting old buildings with energy heating solutions to majorly contribute to national GHG emissions reductions. For **Solar PV and renewable energy (PS9)**, GGGI will capitalize on the growing market for solar energy and upgrade its solar interventions by applying the technology to new infrastructure, public buildings and schools, and explore its productive use for agricultural, industrial, and healthcare purposes. For **Green Industries (PS10)**, GGGI will leverage on its advanced experience in transforming energy intensive garment industry in Cambodia for higher efficiency to expand results at wider scale in the growing manufacturing industries in Asia where holistic sustainability innovation can be catalyzed.

GGGI continues to strive to develop cohesive and impactful projects that go beyond individual countries, through multi-country or subregional projects where common solutions could be applied at scale. Some examples of opportunities being pursued under the Asia program include integrated municipal solid waste management project in ASEAN; circular economy in South and Southeast Asian countries; and large-scale adoption of low-carbon buildings in Cambodia, India, Indonesia, Thailand, and Viet Nam.

Annex 1 provides the description of GGGI’s Programmatic Solutions in Asia.

Regional SO and investment targets. Through implementation of policy and green investment activities for the programmatic solutions and priorities described above, GGGI Asia program aims to significantly contribute to GGGI’s strategic outcomes in the next 5 years as shown in table below. GGGI’s Asia program aims to mobilize USD 3 billion of green investment by 2025, which would equal to 49% of GGGI’s overall corporate target.

Regional Strategic Outcome Targets			Asia Regional Investment Targets to 2025	
Strategic Outcome Targets	GGGI Overall Target to 2025	Asia Regional Target to 2025	Year	Target (USD million)
1. GHG emission reduction (Mton CO ₂ e)	300	159	2021	327
2. Direct Green jobs (million jobs created)	0.5	0.12	2022	547
3. Sustainable services (Million people)	40	41	2023	571
a. Energy access	10	3	2024	645
b. Sanitation	4	3		
c. Waste	20	31		

d. Transport	6	4
4. Air Quality Improvement	Not Available	Not Available
5. Enhanced Natural Capital protection (Million hectare)	0.1	0.02
6. Adaptation services (Million people)	2	0.4

2025	910
Total 2021-2025	3,000

3. Effective delivery in the region

Role of the Regional Office. The GGGI Asia Regional Office, based in headquarters, leads the cultivation and development of new country programs and project proposals for subregional/multi-country opportunities. It supports country programs in developing their Country Planning Frameworks, identifying and pursuing core and earmarked projects, and facilitating relationships between country teams and potential donors and development partners. It provides backstopping to help close tentative human resource gaps at country offices for business continuity and effective and efficient delivery; and supports country teams in securing resources necessary in ensuring smooth in-country operations. It supports internal and external knowledge sharing initiatives within the region through knowledge events.

Managing growth. GGGI's Asia program is envisaged to have at least 16 country operations in Asia at varying maturity phases, as shown in the table below. Presently, GGGI's Asia region covers Cambodia, India, Indonesia, Kyrgyz Republic, Lao PDR, Mongolia, Myanmar, Nepal, the Philippines, Sri Lanka, Thailand, Uzbekistan, and Viet Nam. In the 2021-2025 period, the Asia program will expand to include Kazakhstan, Pakistan, and Turkmenistan. New country programs will be systematically commenced guided by the Criteria on Country Programming, approved by the Council in 2019. **Annex 2** shows the map of GGGI's regional presence in Asia, including the countries in the pipeline.

Country	Start year	2021	2022	2023	2024	2025
Cambodia	2013	Maturation	Maturation	Expansion	Expansion	Expansion
India*	2016	Maturation	Maturation	Maturation	Maturation	Maturation
Indonesia	2013	Expansion	Expansion	Expansion	Expansion	Expansion
Kyrgyz Republic	2021	Phase-in	Phase-in	Phase-in	Phase-in	Maturation
Lao PDR	2017	Expansion	Expansion	Expansion	Expansion	Expansion
Mongolia	2013	Maturation	Maturation	Maturation	Maturation	Expansion
Myanmar	2017	On hold	On hold	On hold	For program review	Phase-in
Nepal*	2016	Maturation	Maturation	Maturation	Maturation	Maturation
Philippines	2013	Maturation	Maturation	Maturation	Maturation	Expansion
Sri Lanka	2019	Phase-in	Phase-in	Phase-in	Phase-in	Maturation
Thailand	2013	Phase-in	Phase-in	Phase-in	Maturation	Maturation
Uzbekistan	2021	Phase-in	Phase-in	Maturation	Maturation	Maturation
Viet Nam	2013	Expansion	Expansion	Expansion	Expansion	Expansion
Others (Pipeline)						
Kazakhstan	-	-	-	-	Phase-in	Phase-in
Pakistan	-	-	-	-	Phase-in	Phase-in
Turkmenistan	-	-	-	-	-	Phase-in

*Country status will be reviewed once membership is achieved

GGGI highly considers the shared socio-economic and political context of countries within Asia subregions, i.e., ASEAN, Central Asia, Mekong, and South Asia. As such, subregional programs such as Mekong Subregional Program, could provide more effective and meaningful support to GGGI Members and Partners, with contextualized solutions and interventions.

GGGI's strength lies in its being embedded in-country as the trusted neutral adviser on green growth matters. GGGI has assigned dedicated experts deployed in country offices for cross-country support in their areas of specialization in coordination with the Communities of Practice and Global Practices within GGGI. Their technical, country, and

regional experience could contribute to effective interventions on the ground, and promote knowledge exchange as experience is shared between and among country programs.

Resource mobilization and partnerships. GGGI's partnerships are anchored on complementarity, leveraging on the strengths of all parties involved towards a shared goal of green growth. For its Asia program, GGGI will continue to pursue innovative opportunities with its bilateral and multilateral donors, such as ADB, Danida, EU, KOICA, Norway's International Climate and Forests Initiative, the UK Government, and USAID, to name some. GCF remains a key partner in helping governments access climate financing. GGGI continues to explore and deepen partnerships with bilateral and multilateral organizations. For example, as a strategic partner, GGGI has been working with ADB's ASEAN Catalytic Green Finance Facility for building its project pipeline and designing investment-ready green projects in Southeast Asia. This partnership could be replicated in other subregions if there are similar opportunities. It will increase its engagement in the private sector to mobilize financing for its activities, particularly for the design and implementation of green investment projects.

Annex 2

Annex 1. Programmatic solutions for GGGI Asia Program, 2021-2025

Global Operational Priority	Programmatic solution	Proposed Interventions	Country/subregional coverage ¹
<p>GOP1. Catalyzing and accelerating access to climate finance/ green investments for members' public and private sector</p>	<p>PS1. Green Investment</p>	<ul style="list-style-type: none"> Strengthen private sector engagement to generate scalable bankable investment projects Expand green investment activities to valorize ecosystem services and develop new adaptation models Introduce innovative ways for private sector engagement in interfaces between adaptation and mitigation Introduce innovative carbon financing mechanisms of the Article 6 under Paris Agreement, beginning with Cambodia, Indonesia, and Nepal 	<p>All Asia region countries</p>
<p>GOP2. Supporting our members in strengthening policy, planning, and regulatory frameworks and institutional capacity to achieve green growth outcomes</p>	<p>PS2. Climate Action</p>	<ul style="list-style-type: none"> Technical assistance and capacity building for establishment and enhancement of MRV systems, starting with Cambodia and Myanmar Technical assistance for long-term low emissions development strategies (LEDS) towards carbon neutrality by 2050 Support national and regional climate resilient adaptation planning and implementation, beginning with Indonesia, Myanmar, Sri Lanka, and Viet Nam; to be expanded to Cambodia, Nepal and Uzbekistan in 2025. 	<p>All Asia region countries</p>
<p>GOP 3. Achieving a sustainable and circular bioeconomy while securing healthy natural systems</p>	<p>PS3. Climate Resilient Agriculture</p>	<ul style="list-style-type: none"> Contribute to post COVID-19 green recovery of Nepal and Uzbekistan through climate-smart agriculture Develop green agriculture value chains and green agribusiness models for local businesses initially in Nepal and Uzbekistan, and to be expanded to Kyrgyz Republic Develop green financing mechanisms that cater to green agriculture and agribusiness, starting with Myanmar, Nepal, India, Philippines, Uzbekistan, and expanded to Kyrgyz Republic 	<p>Kyrgyz Republic, Myanmar, Nepal, Philippines, Uzbekistan</p>
	<p>PS4. Sustainable Landscapes</p>	<ul style="list-style-type: none"> Deepen implementation of programs and projects where work has already started and matured 	<p>India, Indonesia, Myanmar, Nepal, Sri Lanka</p>

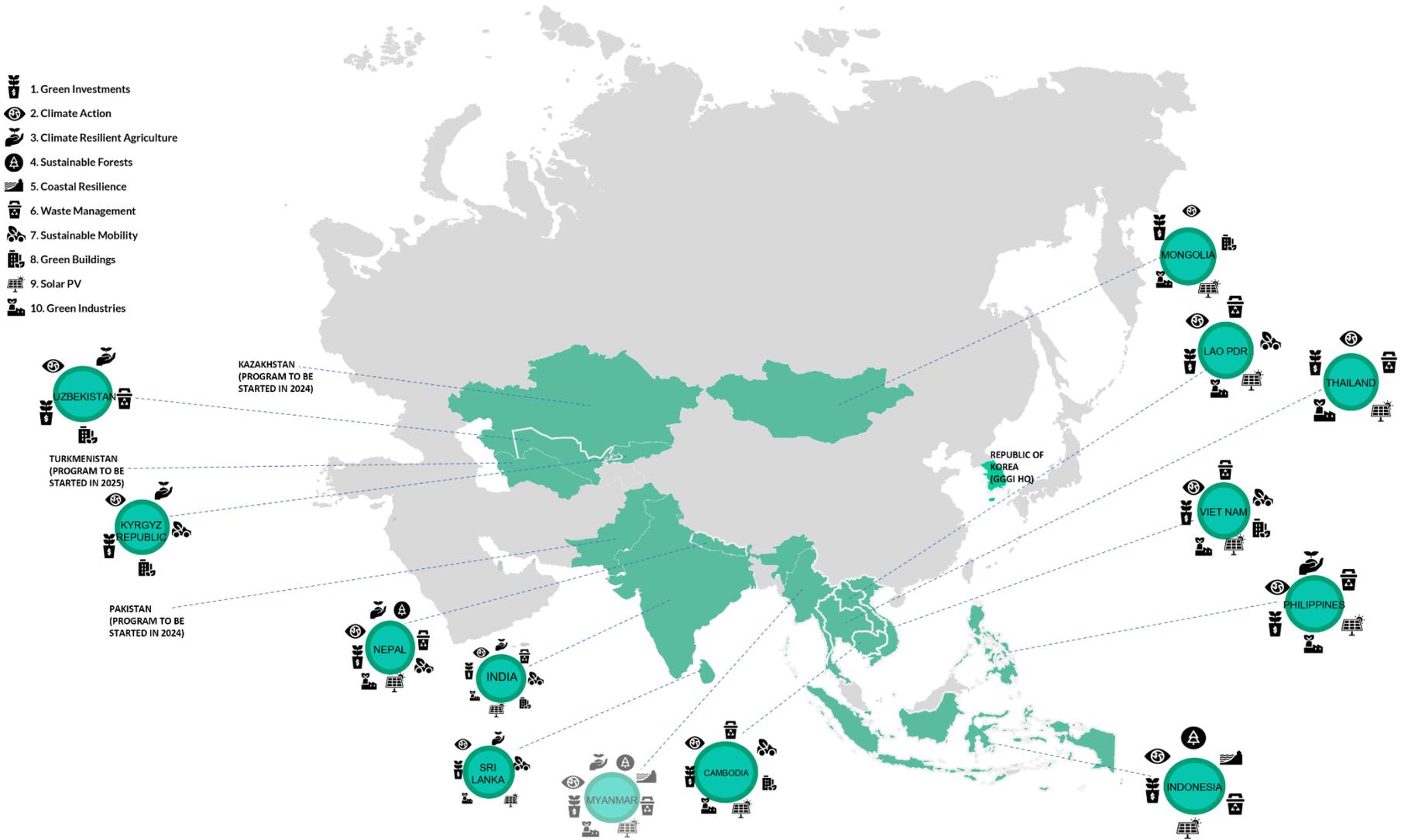
¹ ASEAN Member States are that are GGGI members Cambodia, Indonesia, Lao PDR, Myanmar, Philippines, Thailand, and Viet Nam. The other ASEAN Member States that are not GGGI members are Brunei Darussalam, Malaysia, and Singapore. In the GGGI context, Central Asia comprises Kazakhstan, Kyrgyz Republic, Mongolia, Turkmenistan, and Uzbekistan. Mekong subregion is composed of Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam. South Asia is composed of India, Nepal, and Sri Lanka.

Global Operational Priority	Programmatic solution	Proposed Interventions	Country/subregional coverage ¹
		<ul style="list-style-type: none"> Maximize niche in conceptualizing, structuring, and mobilizing on investment promoting sustainable landscapes Catalyze private sector investment for agroforestry by developing investment plans to identify an optimal blended public-private model to financing identified climate and land use strategies 	
	PS5. Coastal Resilience	<ul style="list-style-type: none"> Use the 3Returns framework to assess green investment scenarios for specific forestry, fishery, conservation, and agricultural interventions against business-as-usual trends Collaborate with key stakeholders in assessing and designing enabling conditions (e.g., policy frameworks, risk mitigation measures) Support resource mobilization for green investment 	Indonesia, Myanmar, Sri Lanka
<p>GOP 4. Making cities and communities sustainable, livable, and resilient, supported through green jobs, services and green infrastructure capital markets innovations</p>	PS6. Waste Management	<ul style="list-style-type: none"> Pursue integrated municipal solid waste management opportunities at subregional level (e.g., ASEAN) Pursue biogas capture technologies, e.g., mechanical biological treatment (MBT) and waste-to-energy, with the ongoing BioCNG regional program with India, Indonesia and Thailand as template for replication in the region Replicate and scale up successes in wastewater/fecal sludge management, such as projects for decentralized wastewater management, fecal sludge management and co-composting/co-digestion with organic waste as in Pakse in Laos PDR and Siem Reap in Cambodia; and BioCNG with fecal sludge in Nepal. Explore opportunities for hazardous waste, especially in countries with heavy manufacturing or mining, beginning with Cambodia, India, Nepal, Lao PDR, for potential scale up to ASEAN by 2025 	Cambodia, India, Indonesia, Lao PDR, Myanmar, Philippines, Nepal, Thailand, Uzbekistan, Viet Nam
	PS7. Sustainable Mobility	<ul style="list-style-type: none"> Deploy e-vehicles, particularly private two and three-wheelers in urbanizing Southeast Asian cities Develop innovative financing mechanisms, public-private partnership models with policy reform, and awareness-raising to support deployment of e-vehicles, as done in Cambodia and Lao PDR 	Cambodia, India, Kyrgyz Republic, Lao PDR, Nepal, Philippines, Sri Lanka, Viet Nam; Mekong subregion

Global Operational Priority	Programmatic solution	Proposed Interventions	Country/subregional coverage ¹
		<ul style="list-style-type: none"> • Work with governments, MDBs, and the private sector to replace diesel buses with electric alternatives • Integrate e-mobility programs with renewable energy charging options or smart battery swapping stations 	
	PS8. Green buildings	<ul style="list-style-type: none"> • Support GGGI Members and Partners in strengthening readiness for green building investments through policy support, development of relevant green building tools to access green finance, and scope investment opportunities • Pursue multi-country opportunity for large-scale adoption of low carbon buildings in Cambodia, India, Indonesia, Thailand, and Viet Nam • Replicate good results in energy efficient heating solutions in Mongolia to other Central Asian countries 	Cambodia, India, Kyrgyz Republic, Mongolia, Uzbekistan, Viet Nam; Central Asia subregion
	PS9. Solar PV and renewable energy	<ul style="list-style-type: none"> • Upgrade GGGI's solar interventions and identify catalytic and inclusive solar power deployment opportunities • Unlock opportunities for indigenous clean energy deployment utilizing organic wastes • Explore interface and interlinkage with electric vehicles, charging stations, and battery storage • Explore relatively novel energy sources such as hydrogen economy 	Indonesia, India, Lao PDR, Mongolia, Nepal, Philippines, and Viet Nam ; South Asia and Southeast Asia subregions
	PS10. Green industry	<ul style="list-style-type: none"> • Use existing high-profile projects such as EU-SWITCH Asia "Promotion of Sustainable Energy Practices in the Garment Sector in Cambodia" project • Pursue innovative green financing opportunities for small and medium enterprises (SMEs) or even factories by organizing sizeable demand for energy efficiency investment 	Cambodia, India, Mongolia, Nepal, Philippines, Sri Lanka, Thailand, Viet Nam, India; Mekong subregion
GOP 5. Accelerating progress in our country programs in poverty eradication and gender equality through our operations	Cross-cutting	Environment and social safeguards, gender equality and social inclusion, regional and intra-regional knowledge sharing and cooperation	All Asia region countries

Annex 2

Annex 2 GGGI Asia Program, 2021-2025



Disclaimer: This map is for graphical purposes only. The depiction and use of boundaries, geographic names, and related data shown on the map are not authoritative and not warranted to be error free.