

**Global Green Growth Institute**

Eleventh Session of the Assembly & Fifteenth Session of the Council

October 10-21, 2022 | E-Consultations

October 27, 2022 | Meeting

**Summary of the Eleventh Session of the Assembly
and Fifteenth Session of the Council****PART I. E-CONSULTATIONS****Item 1. Work Program and Budget 2023-2024**

1. Delegates commended GGGI for developing its Work Program and Budget 2023-2024 based on solid analysis and realistic assumptions, and for planning according to different scenarios based on the possible mobilization of resources.
2. Denmark recommended GGGI to make more ambitious allocations to programs for Vulnerable countries if the organization succeeds in mobilizing additional core funding. GGGI responded that the use of additional core resources, if mobilized, is indeed the prerogative of the Council. GGGI also shared that the Core Replenishment Scenario proposes to allocate the additionally mobilized core resources based on the principles of (a) highest priority to direct increase in resource allocation to Vulnerable Members where GGGI already has a program (50% in total), (b) second priority to enable programming in Members where GGGI has not been able to start a country program (25% are Vulnerable countries), and (c) third priority to strengthen GGGI's agenda in thematic priorities where earmarked portfolio underinvests (ex. adaptation, which is a main concern for Vulnerable countries), and cross-country thematic work and knowledge sharing. Summing up, GGGI agrees the allocation of additional core to Vulnerable countries is the highest priority, and GGGI believes this is reflected in the Core Replenishment Scenario (with a total of over 60% expected to be allocated to Vulnerable countries through the three priorities).
3. Denmark also suggested that additional resources should be allocated to activities that would build the organization's thought and practice leadership position on selected strategic areas. GGGI agrees and appreciates the suggestion. GGGI responded that the third priority of the Core Replenishment Drive aims to support this activity. In response to Denmark's suggestion to reflect on the use of overhead for this purpose, GGGI shared its successful efforts to reduce its actual overhead costs to 15 percent, equal to the overhead charged to non-core donors, i.e., there is currently no additional overhead to re-allocate. While GGGI noted the possibility of refining the definition of overhead and charge as much as possible all directly attributable costs to projects, it is a complex area of work and has not been prioritized to date. GGGI said that further reducing real overhead cost could allow the difference to be allocated to build the organization's thought and leadership position, but reminded that another Member has also suggested to allocate such additional overhead to country teams.
4. Uganda expressed hope that GGGI's donors are willing to stay flexible with fund allocations to accommodate the continuously changing environments in Member countries. GGGI responded that it shares the hopes expressed by Uganda for increased flexibility and longer-term funding allocations.

Item 2. Carbon Transaction Platform: Recommendations

5. Members expressed support for establishment of the GGGI Carbon Transaction Platform (CTP), and noted that GGGI is in a unique position to play an important role in moving this work forward, considering its approach to in-country delivery.
6. Denmark expressed that it does not wish for its core resources to be allocated to GGGI's engagements in carbon transactions. GGGI recognized and acknowledged Denmark's position and expressed appreciation for Denmark's statement in the Fifteenth Meeting of the Management and Program Sub-Committee (MPSC) that, despite its position, Denmark does not intend to block the establishment of the CTP if other Members deem this to be a desirable activity for GGGI.
7. Norway advised that the CTP needs to be flexible to allow for different types of cooperation, it should avoid overlap with other initiatives in the Article 6 space, and GGGI needs to maintain its balanced role as a trusted advisor. GGGI agreed that maintaining flexibility is key, as the aim of CTP is to open up carbon markets which may take different forms in the future. Furthermore, GGGI informed that it is working closely with partners in the Article 6 space to minimize repetition and encourage coordination at country level. Furthermore, GGGI said that it will be very careful when developing different roles as advisor and trustee, and ensure that it works only in response to the demand from its Members.
8. The Philippines acknowledged that the establishment of CTP can enhance GGGI's current capacity-building initiatives related to Article 6, which will strengthen Member countries' institutions and processes, enabling the latter to engage in carbon trade more effectively. On a similar note, Uganda inquired how GGGI can ensure equal access to opportunities despite Members' different skills and Article 6 readiness levels. GGGI responded that GGGI's Article 6 activities to date have been entirely focused on capacity building, and the CTP, if approved, will continue to focus on this element while providing an additional service that will facilitate and administer the transactions between buyers and sellers.

Item 3. Recommendation to Review Contributing Member Definition

9. Members supported GGGI's recommendation to review the definition of Contributing Member.
10. Korea reiterated its position on the principle of inclusiveness in GGGI's governance framework, and recommended that GGGI be cautious to reclassify a Contributing Member to a Participating Member. Korea recommended to discuss the technical details in the next MPSC meeting, whether earmarked donor countries should be classified as a Contributing Member, and the specific criteria for the classification. Uganda suggested a mechanism in the classification of Contributing Members to acknowledge the generosity of donors that have provided programmatic funding to GGGI, of which Uganda has been a recipient. GGGI responded that it will prepare for this discussion for the Sixteenth MPSC Meeting.

Item 4. Pacific Regional Strategy

11. Members welcomed a dedicated strategy to the Pacific region as well as the setting up of the GGGI Pacific Regional Office in 2022. Norway positively noted the increased strategic approach presented in the Pacific Regional Strategy, the Strategy's expected increase in budget, emphasis placed on green investment, and priority given to climate adaptation and blue and green economy.

Item 5. Update on Membership, Accession, and Country Programming

12. Denmark suggested a discussion on the existing criteria for country programming as key criteria related to performance and progress results in country programs are absent. GGGI responded that the existing criteria were formulated primarily with the purpose of determining whether and when to open new country programs and whether and when to exit. GGGI further informed that the processes of the Country Planning Framework, Country Business Plan and Work Program and Budget play a role in the priority setting and resource allocation to ongoing country programming, not these criteria.

Item 6. Update from GGGI Staff Council

13. Denmark noted the Staff Council's concern about the lack of female representation in mid- to senior positions, and encouraged management to focus on improving this indicator. GGGI responded that its Management shares Denmark's concern, and to improve this indicator it has employed search firms to employ a balanced candidate pool when making a number of mid- to senior appointments. Furthermore, GGGI informed that its internal talent management system also aims to improve this balance.
14. Korea recognized that workplace harassment and bullying, and gender and diversity, are particularly important issues. On this note, Korea reiterated its request at the Fifteenth MPSC Meeting for a more regular update on gender and diversity reports, and that they continue to be discussed in governance organ meetings. GGGI responded that gender and diversity will be a standard item in its annual reporting going forward, and noted that it is a key focus area in its People Strategy currently under development.
15. Korea also suggested future discussions on a possibility of a GGGI Audit Committee and Ethics Committee. GGGI took note of Korea's suggestion, and said that it will include this agenda in the agenda of the Sixteenth MPSC Meeting.

Item 7. Provisional Dates and Format of the 2023 Sessions of Governance Organs

16. Korea suggested to reschedule the Seventeenth MPSC Meeting considering the summer holidays, and Uganda suggested that the Assembly and Council Joint Session be scheduled on a date further apart from COP28 that begins on November 6, 2023. GGGI responded that the date/time of the meetings are open to suggestions.
17. Korea further emphasized that more interactive discussions during the hybrid portion of meetings should be encouraged, and that any item on the e-consultations agenda should be re-opened for discussion at the hybrid sessions. GGGI responded that it has followed Korea's previous comments and have allocated expanded time for the agenda item titled "Summary and Discussion of E-Consultations Items" for any further discussion on the e-consultations items, in addition to scheduling several agenda items in both the e-consultation and the hybrid meeting (notably the WPB 2023-24 and the CTP).

/End



Global Green Growth Institute

Eleventh Session of the Assembly and
 Fifteenth Session of the Council (Joint Session)
 E-Consultations | October 10-21, 2022
 Meeting | October 27, 2022 | Seoul, Republic of Korea

E-Consultations for the Assembly and Council Joint Session

Item 1. Work Program and Budget 2023-2024

Member/Observer	Question/Comments	Secretariat Response
Norway	1. The work program and budget is based on solid analysis and we are pleased to see that GGGI has made realistic assumptions based on the current geopolitical context.	Thank you.
	2. Good to see that GGGI is planning according to different scenarios, based on possible mobilization of revenue (core and non-core)	Thank you
Indonesia	3. The Government of Indonesia appreciates the new perspective for the GGGI’s projected portfolio of projects. We believe it will encourage GGGI to optimize the budget invested in meeting the objectives.	Thank you.
	4. In our view, every scenario of the Work Program and Budget 2023-2024 has its excellence. We recommend that the detailed distribution of Programmatic Solutions be in line with the countries’ priorities.	Thank you for your positive remark. The details of each country program in the next biennium are available in Country Business Plans (CBPs) in attachment to the WPB document. CBPs are designed in consultation with governments and seek to align with country government priorities and targets, as well as Country Planning Frameworks. Programmatic choices made by country teams (programmatic solutions and related projects) are anchored in the priorities of our Members.
	5. We are satisfied to note that all scenarios in WPB 2023-2024 will deliver more green investment than the current	Thank you. It is indeed GGGI’s ambition to further its impact via the scaling up of its green investment mobilization work.

	<p>pipeline. Green investment is an enabling and catalyst aspect to achieving the climate targets.</p> <p>6. We are pleased to see that GGGI will mobilize a significant budget for the Indonesia country program to implement our commitment outlined in the recently signed CPF. Please be advised that we are currently focusing on the Economic Transformation towards a greener and more sustainable development. The focus is framed under the Low Carbon Development policy and emphasizes waste management and circular economy, green industry, sustainable energy, blue carbon, and sustainable land use.</p>	<p>Thank you, and noted.</p> <p>In Indonesia, GGGI highly appreciates the opportunity to provide direct technical assistance to key Government partners in the roll out of the LCDI in priority provinces. Moreover, we are pleased to say that the current country program implements projects in all areas emphasized under the Low Carbon Development policy, and that we are mobilizing additional resources to enhance our support for Low Carbon Development especially in the provinces. GGGI remains fully committed and aligned with Indonesia’s ambition for a sustainable and inclusive Economic transformation.</p>
Denmark	<p>7. Denmark appreciates the scenario planning approach reflecting challenging global financial context. If GGGI succeeds in mobilizing additional core funding, Denmark strongly recommends a significantly more ambitious (than suggested) allocation for increased programming in GGGI’s Vulnerable Member countries (LDCs, SIDS and LLD).</p>	<p>Thank you. We recognize that if GGGI succeeds in mobilizing additional core resources then the prioritization of the use of such core resources is the prerogative of the Council, and particularly the Contributing Members providing the core resources.</p> <p>The Core Replenishment Scenario is a proposed use of the additional core resources that is based on the following principles:</p> <ol style="list-style-type: none"> 1. The highest priority is given to a direct increase in core resource allocation to Vulnerable Member Countries where GGGI already has a program (50% of total). 2. The second priority is to enable programming in Member countries where GGGI has not been able to start a country program - a number of these are Vulnerable countries (25% of total). 3. The third priority is to strengthen GGGI’s agenda in thematic priorities where the earmarked portfolio

		<p>appears to underinvest, e.g. increased focus on adaptation, which is again the top priority of Vulnerable countries, plus allocation to “hard to fund (through earmarked projects)” cross-country thematic work and knowledge sharing (25% of total). This third priority also includes the additional funding required to build and maintain a clear thought and practice leadership position in selected strategic areas.</p> <p>When added up the suggested use of additional core resources strongly prioritizes Vulnerable countries.</p> <p>GGGI management welcomes further guidance from the Council on the use of additional core resources, and also expects to engage with the countries targeted to provide additional core in a conversation to prioritize such funds as part of the Core Replenishment Drive.</p>
	<p>8. We applaud the announced strengthening of GGGI climate adaptation work and would like to have further information on the mentioned strategic paper and what parameters have been set to define the direction of said paper.</p>	<p>Thank you.</p> <p>GGGI has initiated a benchmarking study and internal consultations for the development of a light-touch strategic paper on adaptation and resilience. This process and paper will serve to define the organization’s position and value addition in climate adaptation and resilience, and seek to establish the methods, tools and possible KPIs that the organization should pursue to consolidate and enhance its work in the area.</p>
	<p>9. We appreciate the presented analysis of the shift from core funding to predominant earmarked funding and the organizational implications thereof. Denmark is particularly concerned about the consequences of this shift on GGGI’s ability to build and maintain a clear thought and practice leadership position in selected strategic areas. This also</p>	<p>Thank you. We agree that it is difficult for GGGI to build and maintain a clear thought and practice leadership and build the central expertise to support key programmatic solutions through its earmarked funding, as most earmarked donors prioritize direct country level outcomes rather than these functions.</p>

	<p>includes the ability to build central expertise in support of country work in key programmatic solutions allowing to a) maintain cutting edge technical expertise and b) capitalize on experience and lessons across countries. On this backdrop, Denmark suggests further reflection on GGGI's definition of overhead or non-programmatic costs and whether the current definition allows to build and maintain this leadership position.</p>	<p>That is why the third priority for the Core Replenishment Drive is exactly this area, but we also recognize that even here there is strong competition for these funds to be directly allocated to Vulnerable countries instead (as also suggested in Denmark's comment above).</p> <p>We would consider this area of work programmatic, not part of overhead (non-programmatic) costs.</p> <p>GGGI has made a major, and successful, effort in recent years to bring the real cost of overhead as currently defined (OED + ODG) down to the level of overhead charged to earmarked non-core donors (15%). That implies that core resources do not subsidize earmarked projects (full cost recovery) which is an important principle.</p> <p>As GGGI grows and is able to further reduce its real overhead cost, allocation of the difference to other purposes becomes possible (overhead recovery is de-facto additional core funding). Allocation of a share of the overhead to this function is possible, but please note that Korea has also made a suggestion to allocate such additional overhead to country teams instead.</p> <p>In addition, we agree that there are many possible definitions of overhead, and GGGI could invest in a more refined definition of overhead that aims to charge as much as possible of all directly attributable costs to projects (such as IT costs), and thereby further reduce the remaining unallocated overhead rate. This is a complex area of work, however, that has not yet been prioritized to date.</p>
	<p>10. Further, we support the suggested review of the</p>	<p>Thank you for your support. As the Roadmap 2021-2025 and</p>

	<p>methodology for SO impacts assessment and the reassessment of 2025 and 2030 targets. What is the envisaged process for development and approval of the Terms of Reference for the 2023 mid-term review of Roadmap 2021-2025?</p>	<p>the SO impact assessment methodology were developed and approved under management’s authority, the envisaged process for the development and approval of the ToR for the review is also under management’s purview. However, if your question implies an interest from Denmark to be involved in the review, we propose to consult MPSC on the review in the Spring 2023 meeting; provide an update to MPSC in the second 2023 meeting, and present the results to Council at its October 2023 meeting.</p>
<p>Pepukaye Bardouille (NSA/Expert Member of the Council)</p>	<p>11. Thank you for putting together such a detailed and comprehensive work program overview. Clearly A LOT of effort went into this. Overall, the work program looks strong. One key question I have relates to GGGI’s comparative advantage. There is a lot of reference to crowing in private sector financing. I notice, for example, the plan to support an 800MW wind power project in Colombia. This is the type of project that DFIs such as IFC or IDB Invest would jump at and where likely very little support would be needed to make the case (proven renewable energy, large scale project, country that many investors are comfortable with). I would encourage the team to ensure that it is not just following the pack but truly identifying areas of distinct need where other actors are either not involved sufficiently or new business models, including leveraging of concessional finance, are missing. Similarly, consider looking at areas that cut across multiple sectors (eg blue economy) with multiple benefits. A second thought I have is, to what extent are successes being replicated from country to country? There is a need to think at scale and we have the chance, with GGGI’s global presence, to take “big wins” from one country to others.</p>	<p>Thank you for your positive remark! GGGI’s engagement with the private sector follows the principles of additionality, no unfair advantage, independence and neutrality. GGGI’s MT places great emphasis in ensuring that GGGI activities do not displace, but rather lower barriers to entry or crowd-in, private sector efforts.</p> <p>For instance, GGGI’s role in the Colombia’s largest wind farm, is to ensure that the project reaches its operational stage while delivering maximum co-benefits for the vulnerable communities living in the area of influence of the wind farms. In other words, GGGI assistance is aimed at both the project’s financial close, but also ensuring fair and equitable revenue sharing for indigenous communities. This will translate into approximately USD 1 billion being invested in one of Colombia’s poorest regions and 800MWp of clean energy capacity added to the grid, all while delivering profit sharing, employment opportunities and access to energy for approximately 8,000 indigenous households. GGGI’s focus on delivering an extensive Free Prior Informed Consent process and implementing a fair revenue sharing mechanism has led the Ministry of Mines and Energy of Colombia to adopt this project as a national best practice, to be showcased to other developers as well as indigenous communities in order to</p>

		<p>demonstrate how renewable energy assets can generate inclusive and sustainable prosperity for all. Similarly, GGGI’s rural electrification efforts in Colombia are aimed at crowding in private sector investments in a sector traditionally deemed not-bankable and heavily reliant on public grant funding.</p> <p>Fostering replication and scaling up are both key focuses of GGGI’s Green investment services role. This is becoming increasingly possible as GGGI matures and its track record in mobilizing investment commitments also does. One recent example, described in more detail on page 24 of the WPB document is how GGGI has taken its Green and Sustainable Bonds services offering to several of its Member countries with now 11 bonds related collaborations in countries, all stemming from the pioneering and successful work started in Peru and Vietnam. The same logic is being applied to investment work in several programmatic solutions, with Regional Investment Leads, based in regional offices, playing a key role in identifying successes that can be replicated, and scaled.</p>
Uganda	<p>12. Thank you for sharing the WPB with us, and are excited to see potential more and new engagements in the EAC in both Kenya, DRC and Tanzania. We believe that the opportunity to get more support in the region will make the region as a whole stronger.</p>	<p>Thank you, and agree.</p>
	<p>13. For Uganda specifically, we appreciate the work that has been done till date and which is presented in the 2023-2024 plan. With Uganda’s dependency on agriculture, we are welcoming the increased focus on Climate Resilient Agriculture which is also part of the updated GGGI-Uganda CPF – however we don’t see this reflected in the budget allocations yet. We welcome more of GGGI’s support in this direction.</p>	<p>Thank you.</p> <p>Uganda country program has started work on solar powered irrigation which targets Climate Resilient Agriculture and may become a platform for further discussions on programming and resource mobilization for Climate Resilient Agriculture projects under the new GGGI-Uganda CPF either via earmarked resources or GGGI’s Core Replenishment Drive, if successful.</p>

	<p>14. As discussed in the previous council meeting also, the Government of Uganda would like to express its interest in the Korea Green New Deal Fund, the trust fund hosted by GGGI to accelerate the development and financing of bankable projects in GGGI's Member Countries. It is unfortunate that Uganda has not yet been able to benefit from this initiative, while the WPB shows a lot of other GGGI countries are. To better prepare ourselves to tap into this funding, we would like to request additional information on what kind of projects (size, sector, public/private etc.) would qualify or be prioritized for funding from the KGNDF and are there any Korean specific requirements (technology, human resources) linked to obtaining this funding? In general, any guidance would be appreciated, as we have a long standing relationship with the Government of Korea and the development of bankable projects to obtain funding is one of our key priorities.</p>	<p>Thank you for your interest in the Korea Green New Deal Fund (KGNDF). We acknowledge the larger demand from countries for project preparation funds than what is currently available and take note of difficulties several countries including Uganda have had to access KGNDF funding. We also are convinced that additional funding for project preparation is a necessity to catalyze ambitious climate action. Besides KGNDF, GGGI also supports governments to access other funding mechanisms for project preparation, such as, for instance, GCF Readiness, but also others.</p> <p>We are happy to provide more information on KGNDF. Under the mandate of carbon neutrality, green growth and climate adaptation, KGNDF has three windows:</p> <ul style="list-style-type: none"> (1) Bankable and sustainable project development: specific area in the programmatic solutions approach with multiple projects must have a minimum investment mobilization target of USD 150M (standard project minimum investment size of USD 50M) (2) GCF Project or its equivalent project development (3) Policy and regulatory framework and capacity building <p>Each investment project idea submitted to KGNDF must have strong government/ministry backing, in the form of a letter of support and evidence of engagement with matching financing institution(s).</p> <p>Currently, there are no Korean specific requirements linked to obtaining funding from KGNDF.</p>
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		<p>KGNDF encourages collaboration, complementarity, exchange of knowledge and cross-country learning. The preference of KGNDF has been for supporting large bankable projects, that have investment opportunities. Projects need to be investment-ready and have a good project plan, clear support from the concerned government and, if relevant, participation of public or private financial institutions. Lastly, if the project can be related to a GCF project or has potential for ITMO (International Transferred Mitigation Outcome), it may be better considered.</p> <p>The next internal GGGI call for project submission for KGNDF opened on 5 Oct. 2022 (will close by 20 January 2023) for submission to the Korean MOEF by end of Feb. 2023.</p>
	<p>15. The Government of Uganda also likes to acknowledge the shift in funding mechanisms of GGGI, and would like to compliment and express its support for the programmatic approach and funding that is in some cases replacing GGGI's core funding. The Government of Uganda would like to express the hope and wishes that the GGGI financial supporters and donors are also willing to stay flexible with such fund allocations as they are with core allocations to accommodate the continuous changing environments in the Member Countries, including new developments and requests within the sector or programmatic theme of the funding. Furthermore, as part of our own developments in Uganda we have also shifted towards a more programmatic approach as shown in the National Development Plan III, this also however requires longer term funding allocations and commitments as the current development partners environment currently have the tendency to have 2-3 year cycles just like GGGI. Would longer term commitments from GGGI and its funders be possible, or would GGGI be open</p>	<p>Thank you. We acknowledge the shift from being primarily Core-funded to being primarily Earmarked funded has reduced the flexibility of our programming and appreciate your note on program earmarked funding; that it is useful to retain flexibility.</p> <p>As you noted, program earmarked funding, if more flexible than project earmarked funding, still has its boundaries. We share your hope and wishes for increased flexibility and longer-term funding allocations. We promote this when designing proposals, but it is subject to negotiations and approval by donors.</p> <p>We also recognize that Program Earmarked cannot replace Core funding, which has maximum flexibility. That is why GGGI launched a Core Replenishment Drive.</p> <p>The indicative allocation of Core funding follows GGGI's current</p>

	for this conversation as part of the GGGI Core Replenishment Drive for example? We are quite sure this need is not only the case for Uganda but many others are dealing with the same challenges.	operational Work Programming and Budgeting process under a 2-year cycle and is the prerogative of Council. GGGI welcomes further guidance from Council and its Members on the use of additional core resources which we hope to raise thanks to the Core replenishment drive and expect to engage with countries targeted in a conversation, to prioritize such funds.
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Item 2. Carbon Transaction Platform: Recommendations

Member/Observer	Question/Comments	Secretariat Response
Norway	16. Norway welcomes the GGGI's recommendations for a Carbon Transaction Platform and supports the establishment of the CTP.	Thank you for the support.
	17. Article 6 of the Paris Agreement is important to increase global ambitions. GGGI is in a unique position to play an important role in moving this work forward with its approach to in-country delivery. Norway supports the establishment of the Carbon Transaction Platform.	We appreciate Norway's acknowledgment of GGGI's position and the support in using the CTP to help accelerate our work in Article 6 international carbon trading.
	18. GGGI should continue to strengthen its role as a hub and convener for Article 6 implementation. We strongly support GGGI's approach of "learning by doing" and sharing knowledge.	Thank you.
	19. In moving the CTP forward GGGI should avoid overlap with other initiatives in the Article 6 space.	We acknowledge that the Article 6 space is indeed becoming busier with new initiatives being announced regularly. It has also been acknowledged that even more is needed, and we have agreed with our peers in this space (WB, UNDP, UNEP, IGES) to work closely to minimize repetition. We also encourage and support coordination at country level, helping our members to allocate work and resources in such a way as to maximize results.

	<p>20. CTP needs to be a flexible platform and allow for different types of cooperation, including projects, sector and policy level, as well as new approaches in the future.</p>	<p>Agreed. The aim of the CTP is to open up carbon markets, we agree with Norway that this may in the future take different forms than today so remaining flexible is key.</p>
	<p>21. Going forward, it will be important that GGGI manages to balance its role as a trusted adviser to national governments with that of a carbon fund trustee. As a trustee, GGGI will be expected to act as middle-man between buyers and sellers and the avoidance of conflict of interest will be crucial.</p>	<p>Agree. We understand the potential conflict of interest that could occur by acting as advisor and trustee. We will be very careful as we develop these different roles, to ensure we only work in response to demand from our members and learn from early experiences. We appreciate the ongoing advice from our Members to maximize GGGI's contribution and avoid conflict of interest.</p>
<p>Uganda</p>	<p>22. In general, we understand and agree with the need and the idea of the CTP, however we are also eager to learn more during the council meeting. Part of Uganda's focus on attracting climate finance is to ensure the country is in the driver's seat. The CTP will facilitate this approach and will empower countries like Uganda if delivered as promised.</p>	<p>Thank you for your understanding of the need for the CTP. A full paper explaining the CTP was circulated earlier in the year and attached with the Council Meeting papers, consultations took place presenting the CTP in June.</p>
	<p>23. However, our experience with readiness funding, for example with the GCF, is that at times they make things slower and more complicated instead of making the process "agile" as mentioned in the briefing note. How will GGGI ensure there is equal access to this opportunity for all countries independent of their skill levels and their current Article 6 readiness levels?</p>	<p>The only rationale for GGGI to get involved in Art6 related activities is to lower the barrier of access to the carbon market for its Members, as this was a key lesson learned from the CDM carbon market based on the Kyoto protocol.</p> <p>All GGGI's activities related to Art6 to date are entirely focused on Art6 capacity building, to increase access of its Members to this opportunity.</p> <p>Going forward, if approved, the CTP will continue to focus on capacity building, but will add the facilitation and administration of transactions between buyers and sellers among its Members as an additional service.</p> <p>GGGI prides itself in the agility of its support for its Members in general and the CTP will not be an exception</p>

	<p>24. Is funding for this development already secured or is the approval of the Council the basis to look for funding? We were informed about the approval of the Council of the Green Innovation Fund (GIF) which was then established in July 2020 to enable entrepreneurs and start-ups to contribute to green growth. However, until date no funding has either been secured, or been communicated to the Member Countries. To manage our own expectations, please clarify the funding secured or the funding need to deliver the goals as elaborated upon in the information document.</p>	<p>GGGI has already secured a considerable volume of resources to support Art6 capacity building in about a dozen developing countries funded by Norway, Sweden and Germany (close to USD40 million over 5 years).</p> <p>Discussions with several potential donors have shown considerable interest to fund the CTP once approved.</p> <p>On your related question re GIF (the first Trust Fund at GGGI), funding was secured from the Qatar Fund for Development for regional greenpreneur programs in the Pacific and Caribbean that make use of the GIF and are currently in the second year of operation. Other proposals to make use of the GIF, including a regional program for Africa, are in our resource mobilization pipeline and under consideration by donors.</p> <p>The second and third Trust Fund at GGGI are the Korea Green New Deal Fund and a regional fund for part of the ASEAN countries (the Brunei-Indonesia-Malaysia-Philippines East-ASEAN Growth Corridor – Korea Cooperation Fund), both of which are funded and operational.</p> <p>Several additional Trust Fund proposals are part of GGGI’s resource mobilization pipeline and are under consideration by donors.</p>
	<p>25. We would appreciate a presentation on the matter during the actual council meeting to further answer any questions around the platform – if time allows.</p>	<p>Thank you. We will aim to schedule a briefing for the Uganda delegation on the CTP next week, ahead of the Council meeting, to fully inform you. Other delegations that are interested in such a briefing are invited to indicate such to the Secretariat.</p>
<p>Philippines</p>	<p>26. Generally, we support the adoption of the draft decision text, establishing the CTP. We deem that the establishment of CTP could potentially strengthen existing capacity-</p>	<p>Thank you for your support.</p>

	<p>building initiatives of GGGI related to Article 6 of the Paris Agreement that targets developing countries (e.g., compliance with requirements, the establishment of MRV, improving understanding of processes), particularly through increased support from funding partners/contributing Member countries, which are also the potential buyers of internationally transferred mitigation outcomes (ITMOs). These initiatives, if tapped, can help strengthen our institutions and processes, enabling our engagement in international or domestic carbon trade, which is a priority of the current administration under the 8-point socioeconomic agenda (i.e., introduce carbon pricing instruments within the medium term).</p>	
	<p>27. In addition, with GGGI managing most of the burden of trade administration and management, the CTP provides a more accessible and reliable option for developing and emerging economies, like the Philippines, to participate meaningfully in international carbon trade and access climate financing.</p>	Thank you.
	<p>28. Notwithstanding the foregoing, we seek further clarification from the GGGI on whether or not the proposed CTP is expected to generate revenues from transactions. If yes, it should be clarified how the proceeds are expected to be utilized. This information should be clearly stipulated in the proposal for the purpose of transparency and accountability.</p>	GGGI will only recover its costs for managing the CTP, not seek to generate revenue for GGGI from transactions, in line with its non-profit status. All revenues (other than agreed administration costs) will flow directly to the seller countries, not GGGI.
Indonesia	<p>29. We congratulate the Task Force for successfully formulating the GGGI Carbon Transaction Platform. The Government of Indonesia may approve the Platform and support the Institute in implementing the Platform.</p>	Thank you.
	<p>30. As countries are now preparing their Net Zero Emissions roadmap and strategies, the Carbon Transaction Platform is one of facility that can support the achievement of the</p>	Agreed.

	<p>targets.</p> <p>31. In 2021, the Government of Indonesia launched Presidential Regulation 98/2021 concerning the Implementation of Carbon Economic Values which allows the realization of the carbon tax and carbon trade in the country. We sincerely hope that the Carbon Transaction Platform could be the facility that supports us in implementing the regulation.</p>	<p>GGGI has already been working closely with the Government of Indonesia on carbon trading since 2019 (the DAPA program). We envisage the CTP to further assist and support this work if approved.</p>
Denmark	<p>32. As previously expressed, given GGGI's position as an ODA funded organization, Denmark is not in favor of GGGI's engagement in carbon transactions. Danish financial contributions to GGGI must not be allocated to this endeavor.</p>	<p>Understood. GGGI will not use Danish financial contributions to fund the CTP.</p> <p>We recognize and acknowledge the position of Denmark, and appreciate that you have stated in the most recent MPSC meeting that Denmark, despite this position, does not intend to block the establishment of the CTP if other Members deem this to be a desirable activity for GGGI.</p> <p>We note that all other feedback on the CTP received to date has been supportive of CTP establishment.</p>
UAE	<p>33. We are in full alignment that GGGI is well-positioned to increase its role in technical assistance for carbon trading as well as its impact. The establishment of the CTP seeks to expand carbon pricing activities through a sustainable and strategic framework. The key activities of the CTP should focus on expanding the current scope of capacity building and institutional strengthening, which are key to improving our readiness to implement Article 6. Meanwhile, the piloting activities will test the current bilateral coordinating mechanisms and frameworks being developed for trading and negotiation, and will either illustrate a proof of concept or emphasize key areas for improvement.</p> <p>34. Among the new activities being proposed, we are pleased to see the inclusion of knowledge sharing on issues encountered during transactions between buyers and</p>	<p>Thank you, we agree.</p> <p>Thank you.</p>

	<p>sellers. This will present an opportunity for learning and should lead to the establishment of best practices for more effective trading activities.</p>	
	<p>35. We recommend the need to recognize the need for establishing a national carbon registry among different countries to enable this platform to flourish, perhaps as part of the piloting activities or readiness support, GGGI can facilitate the capacity building in regulation development and formulation for establishing registries that are in full compliance with article 6 and provide a smooth transition from CBM aspect. We also recommend allowing for voluntary carbon trading, were it is used under fit for prpose approach, this needs further exploration and we urge GGGI to look into this.</p>	<p>Thank you. The carbon transaction platform will help to ready countries to trade under Article 6 as well as support matching countries for potential bilateral transactions. Countries will use either national or international registries, and where / if funding allows we can support countries in the selection and set up of such. We agree also the Monitoring, Reporting and Verification system is key and it is an important component of GGGI’s capacity building in this area.</p> <p>In addition while GGGI has focused its CPU capacity building on the new Art6 compliance market, GGGI has also supported its members in development of REDD+ / voluntary carbon market projects. As discussed in the carbon pricing sessions during the Green Growth Week, as the carbon market evolves, GGGI will remain open to support its Members in all forms of the carbon market that are fit for purpose.</p>

Item 3. Recommendation to Review Contributing Member Definition

Member/Observer	Question/Comments	Secretariat Response
Norway	36. The recommendation to review the definition of contributing members seems sensible and we fully support the GGGI in undertaking this work.	Thank you.
Uganda	37. We agree and indeed recommend GGGI to review the definition of “contributing members”, especially as many donors are so generous to provide programmatic funding of which Uganda has been a recipient. A mechanism could be put in place to acknowledge this generosity within the GGGI framework.	Thank you.
Philippines	38. We support GGGI's next step to redefine contributing	Thank you.

	members.	
Indonesia	39. We support the Institute to review the requirements and definition of Contributing Members, as provided in Article 3 of the Establishment Agreement.	Thank you.
Denmark	40. The recommendation is timely and Denmark supports GGGI in undertaking this work.	Thank you.
Korea	41. The Republic of Korea would like to thank the GGGI for bringing the Council/Assembly's attention to this matter. We would like to restate the comments it had made at the 15th MPSC Meeting on this matter. The ROK believes in the principle of inclusiveness rather than exclusiveness in the governance framework and recommends that the GGGI should be cautious about reclassifying a Contributing Member to a Participating Member. We would like to recommend that the next MPSC meetings examine in more technical details whether earmarked project/program donor countries should be part of the Contributing Members and discuss what specific criteria should be used (threshold for the amount of funding provided / nature of funding etc.)	Thank you for your comments and we will be pleased to follow your suggestion and discuss this issue at the next MPSC meeting.

Item 4. Pacific Regional Strategy

Member/Observer	Question/Comments	Secretariat Response
Norway	42. We are pleased to note that the strategy's expected increase in budget and the emphasis placed on green investments.	Thank you.
	43. It is good to see the priority given to climate adaptation and blue and green economy growth. We are also pleased by the focus on important sectors such as agriculture, waste management, and forestry.	Thank you.
	44. We would like to emphasize the added value of coordinating GGGI efforts in the region with initiatives and	Thank you, this is well noted. GGGI is coordinating efforts and working with the World Bank, ADB, UNDP, UNESCAP and

	programs by the World Bank, Asian Development Bank and the UN in the region – as well as the Oceans Panel.	others in the Pacific region.
Philippines	45. We appreciate the GGGI Pacific Regional Office (PRO) that was finally set up in June 2022. We hope it will coordinate the implementation of the PRS and lead the development of new country programs and project proposals for regional/multicountry opportunities.	Thank you. Yes, we confirm the PRO will coordinate the implementation of the PRS and lead the development for multi-country and regional project proposals, in line with the role and function of the other three regional offices GGGI operates.
Denmark	46. Along with the suggested budget increase, Denmark appreciates the more strategic approach presented in the Pacific Regional Strategy (as compared to previously presented regional strategies).	Thank you.
Korea	47. Understanding and recognizing the importance of Pacific region, the Korean Government is making great efforts to increase its engagement in the region and we are fully supportive of the GGGI adopting a dedicated regional strategy for this region.	Thank you.
Pepukaye Bardouille (NSA/Espert Member of the Council)	48. This is an extremely ambitious agrandis—notably in terms of scale as well as scope. At the same time, I understand that the Pacific region is quite crowded with donors and development partners. How are partnerships being developed and leveraged? Where are complementarities being sought and captured? My concern reading this document is that activities might be spread too thin and that opportunities for catalytic change are being missed because there is limited (at least, as described) thinking of the wider context of activities. There is also a lot of reference to private sector investment. While I do believe that there will exist, it is not clear what sectors are being targeted and why, as well as where domestic efforts (from countries) are being built upon and accelerated.	<p>Thank you. We believe the strategy is ambitious, but realistic. Our program has grown from 1 to 40 staff members over the last 5 years and given the resources in the pipeline we believe the current strategy is a reasonable extrapolation of the developments over the last several years for the next 5 years.</p> <p>As elsewhere, GGGI’s model of being on the ground in Fiji, PNG, Vanuatu, Kiribati and Tonga, and embedded in our member governments, has proven effective (and relatively unique, with most development partners dealing with the Pacific from Manilla, or Fiji). As indicated, we now have relatively mature teams in place in 5 countries and expect the current discussions with new Members to lead to an expansion to 2-3 new country programs.</p> <p>While it is true that more development partners are active in adaptation, and this is relatively new for GGGI in the Pacific,</p>

		<p>we have consulted our Pacific Members for the development of this strategy, and believe it responds to their demands. At the same time, we are expanding and deepening partnerships, for example with SPC, SPREP, UNDP, UNESCAP, PIFS and others through joint climate finance work (concept note / full proposal development), strategic partnerships like the Pacific Resilience Partnership and knowledge sharing. Partnerships are a key strategy for GGGI to increase its work in the adaptation space with the aim to bring GGGI experience in investment mobilization and private sector engagement to complement regional and national level partners with experience in community based approaches and nature conservation.</p> <p>For private sector investment, sectors targeted are renewable energy, energy efficiency and sustainable transport where GGGI has previous experience, while implementing GGGI's know-how in investment mobilization for newer areas of work such as climate smart agriculture and agro-forestry systems, coastal resilience and livelihoods, marine protected areas and climate resilient housing and infrastructure. All the while GGGI will continue to focus its efforts on priorities identified in national strategies and plans such as the NDCs, NAPs and sectoral strategies. GGGI is in a good position to engage both larger private sector and SMEs, as well as the domestic banking sector to complement international finance, through our in-country teams. We believe that with transport becoming a new area of green investment with a lot of private sector interest, and also continuing expansion of renewable electricity and climate smart agriculture/agro-forestry, the target can be achieved.</p>
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Item 5. Update on Membership, Accession and Country Programming

Member/Observer	Question/Comments	Secretariat Response
Norway	49. It appears this document is listing a different number of Contributing Members than that of the work programme and budget.	The WPB lists “five key core donors” (Australia, Denmark, Norway, ROK and UK, p. 35) that provided core funding over a sustained number of years for most of the first 10 years of GGGI, whereas Annex 1 of this document lists all Members that were categorized as “Contributing Member” in 2012, which includes those that joined GGGI based on their commitments at time of joining. It includes those that provided one-off contributions for one or several years, and those that ended up providing earmarked rather than core contributions. This is one of the reasons for the Secretariat’s recommendation to review the definition of Contributing Member above (Item 3).
Indonesia	50. We are pleased to note the updates on membership, accession, and country programming.	Thank you.
	51. We support the Institute to continue exploring the opportunities to assist Members and Partners in their green transitions through time-bound project-level interventions under regional and global programs.	Thank you.
Denmark	52. We suggest a discussion on the existing criteria for country programming as the absence of key criteria linked to performance and results progress in country programmes seems at odds with GGGI’s renewed results focus.	Thank you. The criteria, when formulated, were focused primarily on whether / when to open new country programs, and whether / when to exit. These criteria do not currently play a role in the priority setting and allocation of resources to ongoing programs, as that role is played out through the CPF, CBP and WPB processes.

Item 6. Update from GGGI Staff Council

Member/Observer	Question/Comments	Secretariat Response
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Norway	53. We note the concern over lack of decision regarding the remuneration benchmarking report and would urge the GGGI and Council to work on resolving any potential remaining issues.	The MPSC have now reached agreement that they will propose to the Council approval of Management's recommendations on the implementation of the remuneration benchmarking exercise at the Council meeting on 27 October 2022.
	54. We note the staff's concern about lack of female representation in mid- to senior positions and encourage management to focus on improving this indicator.	Management shares this concern. For a number of mid to senior appointments for which external recruitment took place, GGGI employed search firms to ensure a balanced candidate pool, with a view to improving this indicator. Internal talent management also aims to improve this balance. GGGI's efforts in this area has resulted in 53.3% female new hires at the professional and senior levels.
Uganda	55. The Government of Uganda would like to express its compliments to GGGI that they are taking Staff well-being and staff input to improve the organisation and make it a better workplace this serious. Staff happiness is key to reach the goals as set-out by the organisation. There are no further comments on the report.	Thank you for your encouraging remark.
Indonesia	56. We encourage GGGI to strengthen the relationship among staff. For example, by convening an internship-like program to gather and share their story and experience in their operational.4	Thank you. GGGI management shares this view. GGGI operates an active internship program at HQ and most country programs. Between January to October 2022, we have recruited 91 interns globally, all of whom are introduced in our All Staff News on a monthly basis and are included in team and divisional meetings including retreats/awaydays and all staff training.
Denmark	57. We note staff concern about lack of female representation in mid- to senior positions and encourage management to focus on improving this indicator.	Management shares this concern. For a number of mid to senior appointments for which external recruitment took place, GGGI employed search firms to ensure a balanced candidate pool, with a view to improving this indicator. Internal talent management also aims to improve this balance. GGGI's efforts in this area has seen 53.3% female new hires at the professional and senior level.
Korea	58. We would like to thank the GGGI Staff Council and the Management for this report. As the Birches Group Total	GGGI management agrees with the importance of workplace harassment / bullying and that is why it was explicitly included

	<p>Renumeration Exercise is allotted its own dedicated time for discussion, we would like to focus on the other elements of the report. In particular, we recognize that workplace harassment/bullying and gender and diversity as particularly important issue. On this note, we had asked at the 15th MPSC meeting for a more regular update on gender and diversity reports and that they continue to be discussed in the governance organs. Moreover, we would like to discuss in the future a possibility of a GGGI Audit Committee and Ethics Committee and also find out more about the GGGI's Ombudsman Policy.</p>	<p>in the staff engagement survey 2022 (for the first time), and is a priority for the management action plans to follow up on the survey. HR and the GGGI Ombudsperson have conducted in Q2 and Q3 of this year, several on Respectful Workplaces learning sessions for all staff and we will continue to provide regular refresher trainings beyond 2022. We have also provided a refresher training and a recruitment drive for our Respectful Workplace Adviser network and promoted this network, the Ombudsperson service and our Employee Assistance Program more widely.</p> <p>GGGI reports annually on the implementation on the 2 year Gender and Social Inclusion Action Plan, which sits under the Gender and Social Inclusion Strategy. GGGI will make sure these reports are integrated well in GGGI's annual reporting going forward and is also a key area of focus in the GGGI People Strategy under development. From November 2022, GGGI will roll out its training program on Diversity, Equity and Inclusion (DEI) for all staff as one of the means to enhance DEI in the workplace.</p> <p>We look forward to discussing the possibility of a GGGI Audit Committee and Ethics Committee and will enter the subject into the agenda of the next MPSC meeting.</p> <p>The GGGI Ombudsperson is a facility for staff to discuss sensitive work-related issues anonymously, particularly focused on informal conflict resolution, and for staff to receive support, advice and guidance from the Ombudsperson. The Ombudsperson is also a resource to support GGGI Respectful Workplace Advisors (who are trained GGGI staff volunteers). The Ombudsperson is an experienced (external) expert appointed and funded by GGGI, without reporting</p>
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		responsibility back to management (an independent advisor of staff).
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Item 7. Provisional Dates, Venue, and Format of the 2023 Sessions of Governance Organs

Member/Observer	Question/Comments	Secretariat Response
Uganda	59. While we already see the Council Meeting is one additional week removed from the COP28 (Council meeting 26th, COP28 starts at the 6th of November) this is an extremely busy period for our Ministry and especially the relevant department for GGGI. It might be worth considering to have the events further apart.	Thank you for the suggestion that we will take into account as we plan for next year's Council and Assembly meeting.
Indonesia	60. We take note of the provisional dates and format for the Governance Organ Meetings in the year 2023.	Thank you.
Korea	61. We'd like to thank the GGGI for once again efficiently organizing this year's sessions of governance organs and look forward to another year of fruitful discussion. We'd also like to emphasize our previous comment that more interactive discussions during the hybrid portion of the meetings should be encouraged and that any item on the agenda of the e-consultation should be re-opened for discussion at the hybrid sessions. Our suggestion is that this be the default mode of setting the agenda, even without a member asking for a modification to the agenda. Given the generally limited capacity of members and GGGI staff during the summer holiday, perhaps the 17th meeting of the MPSC can be rescheduled but this can be discussed again.	<p>Thank you. We have followed your previous comments and scheduled as much additional time for interactive discussions as time allows. We note that any item of the e-consultation agenda is open for further discussion at the hybrid session under the agenda item listed as "summary and discussion of e-consultation". In addition, we have scheduled some of the items we expect may warrant more discussion for both e-consultation and in-person discussion explicitly.</p> <p>We recognize that the summer holiday period is a less than ideal time for the 2nd MPSC meeting and are open to suggestions for a more suitable date, taking into account the various other scheduling constraints.</p>

/End