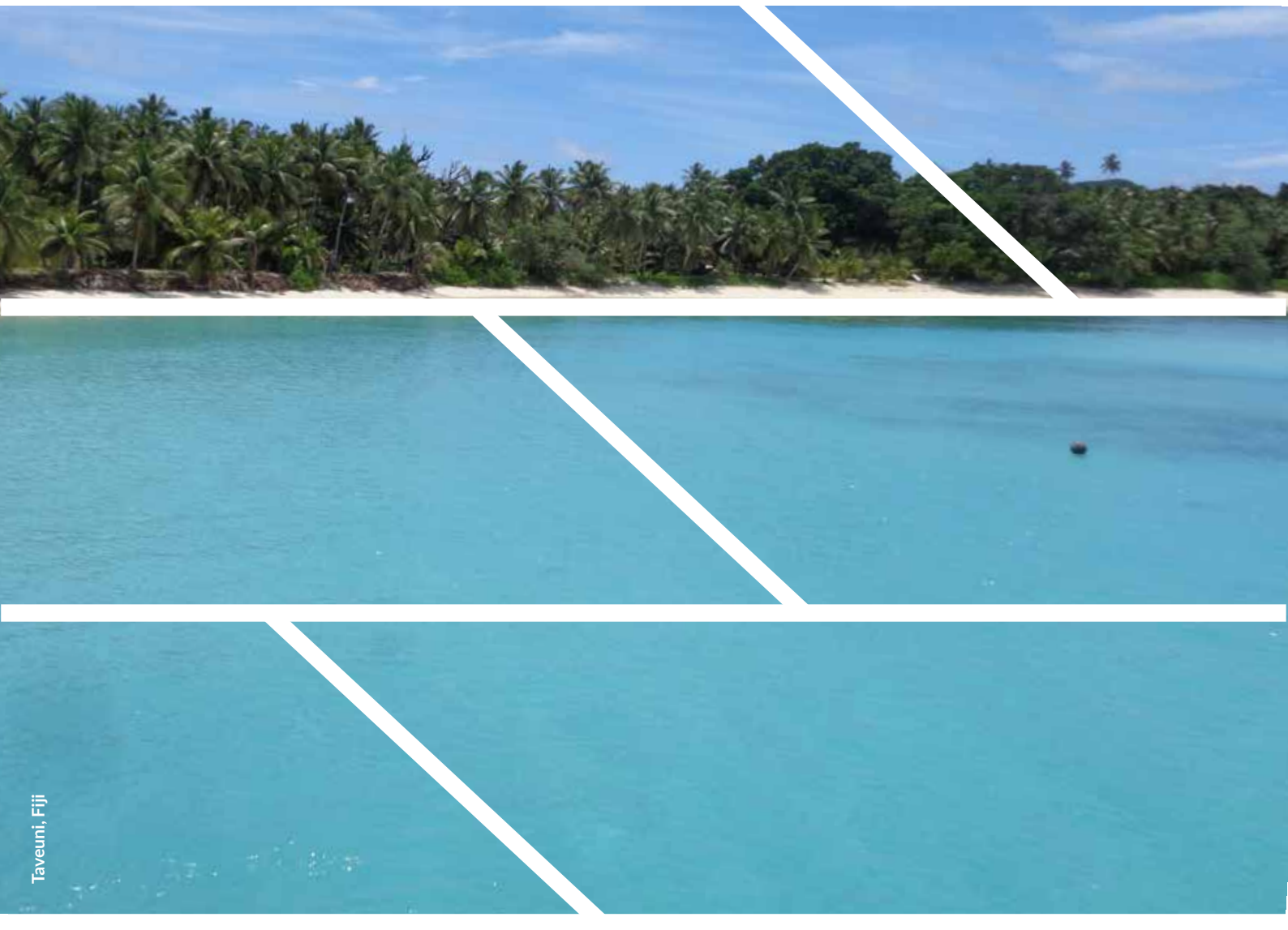




Global
Green Growth
Institute

ANNUAL REPORT

2017





GGGI in Lao PDR: planning for national and sub-national green growth

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Message from the President of the Assembly and Chair of the Council

Dear Friends and Members of the Global Green Growth Institute,

It is with great pleasure that I join the Global Green Growth Institute (GGGI) as the new President of the Assembly and Chair of the Council. With a mission to deliver socially inclusive, environmentally sustainable economic growth around the world, I look forward to contributing to the work and impact GGGI has delivered since its establishment in 2012.

GGGI's achievements in 2017 were especially impactful as the organization successfully completed the first year of its second Work Program and Budget for the GGGI Strategic Plan 2015-2020. This was accomplished by strengthening green growth planning, increasing green growth investments, and enhancing green growth knowledge and learning among developing countries.

GGGI also welcomed Lao PDR as its twenty-eighth Member, and strengthened its presence in the Member countries of Senegal and the United Arab Emirates through the signing of Host Country Agreements.

Two-thousand seventeen was particularly momentous for GGGI in its work to catalyze financial resources. In 2017, GGGI went above and beyond its USD 64 million target, and helped mobilize USD 524.6 million in green and climate finance that will support developing countries achieve Sustainable Development Goals and Paris Climate Agreement commitments. GGGI also supported the development of 5 national financing vehicles and 8 bankable projects to help channel investments in 10 countries.

Such results were delivered on the foundation of comprehensive green growth policies and financing frameworks that GGGI continued to develop in 2017. Over the course of the year, GGGI facilitated the adoption of 17 green growth policies in 11 countries by collaborating on the development of national roadmaps, country planning frameworks, and thematic-sector strategies. GGGI's strong green growth planning assistance will continue to bear fruit in 2018, with additional policy outcomes expected to be approved by government partners because of outputs delivered at the end of 2017.

In 2017, GGGI also continued to provide global leadership in promoting the benefits of green growth transitions by delivering inclusive knowledge sharing and networking platforms. GGGI made great strides to increase green growth knowledge sharing by organizing its second international-scale conference, Global Green Growth Week 2017, in Addis Ababa, Ethiopia. The conference helped catalyze finance and move the green growth agenda forward in Africa, while at the same time enhancing GGGI's visibility and credibility.

The organization also began in 2017 the process of developing its next Work Program and Budget through a new innovative approach that will strategically enhance GGGI's work by clearly linking it to the national and global goals of the 2030 Agenda for Sustainable Development.

This 2017 Annual Report provides more information about these accomplishments and the benefits that they delivered to people and communities around the world. The results within the 2017 Annual Report are a clear demonstration of the work and impact GGGI continues to scale-up in support of its mission and Members. I look forward to helping GGGI continue to build on these achievements, further transitions toward green growth, and help achieve the development goals of all within the international community.



Ban Ki-moon

Ban Ki-moon

President of the Assembly and Chair of the Council

Message from the Director-General

Dear Green Growth Stakeholders,

Two-thousand seventeen marked my first full year as the Director-General of the Global Green Growth Institute (GGGI). Over the course of the year, GGGI's programs and services continued to expand and strive toward environmentally sustainable and socially inclusive results.

GGGI successfully refreshed its Strategic Plan 2015-2020 with outcomes that directly support the UN Sustainable Development Goals (SDGs) and Nationally Determined Contributions (NDCs) for the Paris Climate Agreement. Critical to this strategic refresh was the adoption of the new Strategic Outcomes. These anchor GGGI's work to the NDCs and SDGs of our Member and partner countries:

1. GHG emission reduction
2. Creation of green jobs
3. Increased access to sustainable services
4. Improved air quality
5. Adequate supply of ecosystem services
6. Enhanced adaptation to climate change

GGGI also initiated measures in 2017 to ensure that the organization's programmatic targets and plans incorporate lessons from its own and partners' experience. This included the launch of GGGI's Impact and Evaluation Unit and Thought Leadership Office as well as the enhancement of the Sustainability and Safeguards Rules to guide the design and implementation of GGGI's activities.

In 2017, GGGI enhanced its strategic partnerships and diversity of financial resources. GGGI established and developed a strategic partnership with the Green Climate Fund. GGGI no longer strives to become accredited, but rather will support the direct access of our Member and partner countries. Subsequently more than 10 GGGI Member and partner countries selected GGGI as a delivery partner for GCF's Readiness Programme. To date proposals to support Mongolia, Papua New Guinea, Vanuatu, Laos and Thailand with GCF readiness projects have been approved. The GCF Board has also approved two direct access projects implemented by National Finance Vehicles supported by GGGI for Ethiopia (USD 50 million) and Rwanda (USD 36 million).

In 2017, GGGI focused on building relationships with three new donor countries, the Netherlands, Italy and Luxembourg, and secured funding from Italy for scoping activities in Ethiopia and Rwanda, from Hungary for programs in Balkan countries and Uganda, and from the Netherlands for a project in Uganda. A project to be funded by Luxembourg in Vanuatu is in advanced stages of development. GGGI also joined the NDC Partnership to strengthen its climate action efforts and to contribute to those of the international community.

GGGI continued to make progress in 2017 toward becoming a more nimble and innovative organization that can respond to opportunities quickly and effectively, while prudently addressing risks. To this end, GGGI developed and implemented a Risk Management Framework, rolled-out an IT investment plan to streamline operational processes that

enhance efficiency, and designed a multi-faceted institutional reform program to foster stronger response to green growth possibilities in the partner countries. In the context of the Refreshed Strategic Plan 2015-2020, GGGI also took steps to further strengthen its human resources through a number of initiatives, including the development of new corporate values – i.e. Integrity, Transformational, Boldness, Excellence, and Inclusive – as well as adoption of revised Staff Regulations and Rules to align with international standards and comparator organizations, as well as optimize staff engagement.

During the year, GGGI initiated preparations for its next Work Program and Budget 2019-2020. A novel approach to WPB preparation will produce a leaner and more strategic WPB, increased results-focus, more flexible and timely allocation of resources, strengthened integration among GGGI's organizational units, and improved transparency and accountability regarding programming decisions and results.

The results GGGI achieved in 2017 demonstrated the organization's capacity to successfully move from greening plans and policies toward helping to mobilize green and climate investment flows at scale to the benefit of its Member and partner countries. GGGI is thus helping to demonstrate the benefits of green growth, which in turn creates an enabling context for a broader resolve in its Member and partner countries to transition to green growth models. With Dr. Ban Ki-moon's leadership, as well as GGGI's continuously expanding partnerships, I am confident that GGGI will continue to successfully champion and mobilize greater results that will strengthen its impact in the coming years and demonstrate the promise of green growth.



A handwritten signature in black ink, appearing to read 'Frank Rijsberman'. The signature is fluid and cursive, written over a white background.

Dr. Frank Rijsberman
GGGI Director-General



About GGGI

The Global Green Growth Institute (GGGI) is a treaty-based international, inter-governmental organization established in 2012, at the Rio+20 United Nations Conference on Sustainable Development.

Founded to support and promote the mainstreaming of green growth, GGGI programs and projects target economic growth that is environmentally sustainable and socially inclusive. GGGI works across four priority areas considered to be essential to transforming national economies, including sustainable energy, water and sanitation, sustainable landscapes, and green cities.

GGGI envisions a resilient world achieved through strong, inclusive and sustainable green growth, and is dedicated to supporting the transition of GGGI

Member countries toward a green growth model. In pursuit of these goals, GGGI works with Least Developed Countries, developing and emerging economies to design and deliver programs and services that demonstrate new pathways to pro-poor, sustainable economic growth.

GGGI supports stakeholders through the delivery of comprehensive products and services designed to assist in developing, financing and mainstreaming green growth into national economic development plans.

GGGI delivers work and supports its Member and partner countries through a guiding framework of five core values:

INTEGRITY

- We uphold high accountability and transparency standards;
- We are objective and independent;
- We prioritize social and environmental responsibility.

TRANSFORMATIONAL

- We aim for catalytic outcomes serving country needs;
- We balance short term results with a long-term outlook;
- We leverage our outcomes through partnership.

BOLDNESS

- We solve problems with optimism;
- We continuously learn and adapt;
- We seek and scale up creative new solutions

EXCELLENCE

- We apply technical rigor;
- We demonstrate thought leadership;
- We drive continuous improvement.

INCLUSIVE

- We champion diversity;
- We engage widely in decision-making;
- We provide equal opportunity.

GGGI Members and Operations

Headquartered in Seoul, Republic of Korea, GGGI has **28 Members** with operations in **27 countries**.



Member countries*

Australia, Cambodia, Costa Rica, Denmark, Ethiopia, Fiji, Guyana, Hungary, Indonesia, Jordan, Kiribati, Republic of Korea, Lao PDR, Mexico, Mongolia, Norway, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, Rwanda, Senegal, Thailand, United Arab Emirates, United Kingdom, Vanuatu, Viet Nam

* Includes signatories to the Establishment Agreement

Operations

Cambodia, China, Colombia, Costa Rica, Ethiopia, Fiji, Hungary, India, Indonesia, Jordan, Kiribati, Lao PDR, Mexico, Mongolia, Morocco, Mozambique, Myanmar, Nepal, Peru, Philippines, Rwanda, Senegal, Thailand, Uganda, United Arab Emirates, Vanuatu, Viet Nam

2017 GGGI Resource Partners



2017 GGGI Milestones

JAN

Thailand launches Roadmap for Nationally Determined Contribution, developed with GGGI support

Myanmar and GGGI sign a Memorandum of Understanding (MoU) to advance national green growth

FEB

MAR

Ethiopia, with GGGI support, secures USD 9.98 million from Adaptation Fund
India's Karnataka State commits USD 30 million for 150 electric buses in Bangalore.

APR

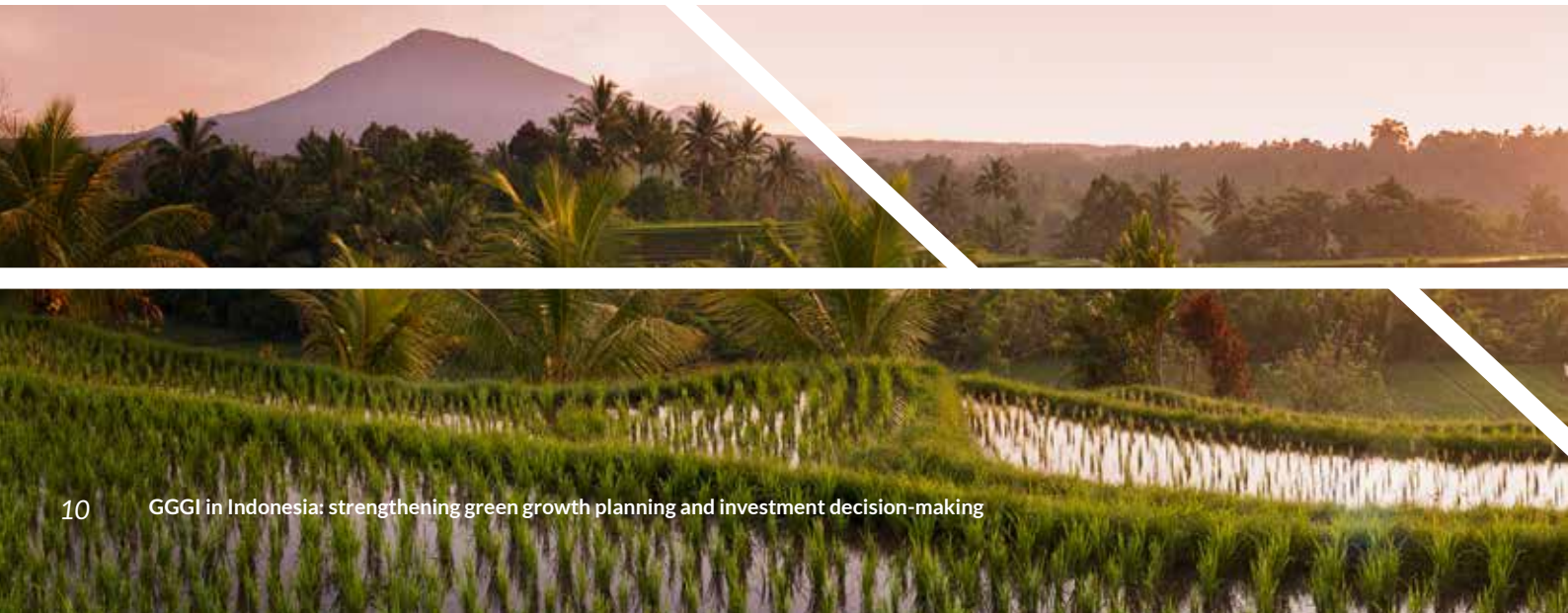
Senegal Signs Host Country Agreement with GGGI

Indonesia and GGGI sign 5-year strategic Country Planning Framework
GGGI signs MoUs with University of Delaware and KAIST Graduate School of Green Growth

MAY

JUN

United Arab Emirates Cabinet adopts the National Climate Change Plan
Vanuatu and GGGI sign 5-year strategic Country Planning Framework



JUL

GGGI joins United Nations Evaluation Group

Launch of the 2017-2019 GGGI-Government of Colombia Program

SEP

OCT

Lao PDR becomes the twenty-eighth Member of GGGI
GGGI Celebrates 5th Anniversary as an International Organization
GGGI hosts Global Green Growth Week 2017 in Addis Ababa, Ethiopia
GCF approves USD 50 million for project in Ethiopia
United Arab Emirates Signs Host Country Agreement with GGGI

Fiji adopts National Development Plan, developed with GGGI support, and launches it at COP23 in Bonn, Germany
Italy and GGGI Sign Contribution Agreement for Cooperation to support Ethiopia's NDC Implementation
Uganda launches the new Uganda Green Growth Development Strategy, developed in partnership with GGGI

NOV

DEC

Philippines adopts Palawan Province Wide Ordinance on Climate Resilience and Green Growth





Introduction to the Refreshed Strategic Plan 2015-2020

In October 2017, the GGGI Council approved the GGGI Refreshed Strategic Plan 2015-2020. The Strategic Plan sets the strategic framework for the organization to support partner countries transition toward a green growth model and serves as a statement of intent to GGGI stakeholders. At the halfway mark of GGGI's 2015-2020 Strategic Plan, the Institute has reflected on progress against the Plan to date and 'refreshed' aspects of the Plan to ensure its continued relevance and enhance GGGI's strategic position, without changing the major premises on which the strategy was built.

Based on the Mid-term Strategic Review, the Refreshed Strategic Plan includes a set of six new, sharpened Strategic Outcomes (SOs) of direct relevance to the national development goals of Member countries, including Nationally Determined Contributions (NDCs), and aligned to the Sustainable Development Goals (SDGs):

(i) GHG emission reduction, (ii) creation of green jobs, (iii) increased access to sustainable services, such as, clean affordable energy, sustainable public transport, improved sanitation, and sustainable waste management, (iv) improved air quality, (v) adequate supply of ecosystem services, and (vi) enhanced adaptation to climate change

In the Refreshed Strategic Plan and Corporate Results Framework (CRF), GGGI proposes to set targets for these SOs. GGGI's 2030 corporate targets for the SOs will be set by adding the share of the national NDC and SDG targets in GGGI partner countries, for the sectors in which GGGI will be active. For countries where there are missing data, GGGI will estimate placeholders until governments set those targets.

This approach incorporates the recognition that GGGI contributes to these outcomes along with the efforts of many other stakeholders, including partner governments themselves. In addition to long-term (2030) targets, medium-term (2020) targets will be subsequently defined as reasonable milestones to demonstrate GGGI is on-track to achieve 2030 outcomes.

While most of GGGI's existing programs are aligned to the new SOs through the thematic priorities, projects reported on in the 2017 Annual Report Results Report were designed and approved prior to the adoption of the new SOs. In addition, target setting against the new SOs is an ongoing process.

Therefore, results reported are against the original set of Outcomes in the GGGI Strategic Plan, and the basis under which programs were developed in the Work Program and Budget 2017-2018. These are incorporated in GGGI's revised CRF as Intermediate Outcomes (IOs).



GGGI in China: sharing green growth knowledge and successes

GGGI's Work Program and Budget 2017-2018

Mobilizing Green Investment

In 2017, GGGI continued to deliver on the strategic outcomes and policy priorities set out in its Strategic Plan 2015-2020 and Work Program and Budget (WPB) 2017-2018. The WPB 2017-2018 is aligned with GGGI's goals to achieve systematic and long-term transformational change primarily through its partner countries programs. National priorities and specific

country needs, and circumstances that are reflected in Country Planning Frameworks (CPFs) contextualize GGGI's engagements as its interventions seek to address the underlying objectives of economic growth, poverty reduction, environment sustainability and social inclusion as the key drivers of a transition to a model of green growth.

The Work Program and Budget (WPB) is GGGI's main programmatic and budget planning document which outlines the organization's proposed programmatic and non-programmatic activities, as well as the budget associated with this, over 2-year periods.

The WPB 2017-2018 was approved in September 2016 to operationalize the Strategic Plan 2015-2020 and sets out what GGGI intends to achieve through its country projects and programs, global programs, and non-programmatic activities to enable operations.

The overall aim of the WPB 2017-2018 is to support GGGI's mission of helping countries transition toward green growth, by delivering the Refreshed Strategic Plan 2015-2020:

- Intermediate Outcome 1: strengthened green growth planning, financial and institutional framework;
- Intermediate Outcome 2: increasing green investment; and
- Intermediate Outcome 3: multi-directional knowledge sharing and learning.

Over the course of 2017, GGGI's programs prioritized the acceleration of green finance mobilization in support of green growth policy implementation to demonstrate greater visibility of green growth outcomes and strategic impact. This saw a strategic shift in emphasis toward the 'right side' of GGGI's value

chain which will accelerate the transformational change of partner countries toward green growth. Previously, GGGI's programs and activities focused on supporting Member and partner countries to develop green growth planning frameworks and adopt green growth policies – the 'left side' of GGGI's value chain.



It is important to note that GGGI operates under an integrated delivery model under the 'ONE GGGI' approach, which is encompassed in the GGGI Value Chain. GGGI's value chain sets out a green growth planning and implementation approach commencing from the initial green growth potential assessment to sector strategy, green planning, project design, and finally, mobilizing financing for green investments. Implementation refers to policy implementation and monitoring and evaluation (M&E) support of initiatives undertaken by the partner governments. Each component of the value chain is followed by a systematic appraisal process that captures learning, sharing, and application of experience and knowledge from programs, and ensures the robustness of GGGI's advice and assistance.

Against the background of the global compacts of the adoption of 2030 Agenda on the Sustainable Development Goals (SDGs) and the Paris Agreement on Nationally Determined Contributions (NDCs) on emissions reduction, 2017 was an important year for GGGI as it aligned its programs with Member and partner countries priorities. The implications of these broad global development agendas drove GGGI's planned work program in 2017 and presented opportunities and challenges for GGGI in supporting the needs and priorities of our partner countries to achieve the commitments they made in these agreements.

The WPB was structured according to programmatic and non-programmatic activities. The programmatic elements are delivered by the Green Growth Planning and Implementation (GGPI) Division and the Investment and Policy Solutions Division (IPSD) and include in-country programs, global programs and poverty reduction and social inclusion initiatives aimed at achieving GGGI's three intermediate outcomes. Both GGPI and IPSD are supported by the Safeguards, Poverty Reduction and Social Inclusion Unit (SPRSI) and the Office of Thought Leadership (TL), which was established in 2017 to encompass knowledge and research functions linking GGGI's programs to cutting edge leadership in evidence-based green growth interventions. GGGI's non-programmatic elements include the work of the Operations Enabling Division (OED) which guide, support and enable the work of programmatic divisions, and the Office of the Director General, which spearheads strategy development and corporate planning, and supports programmatic operations with partnerships, communications and governance operations.



The WPB 2017-2018 had a total budget of USD 56.88 million in 2017, consisting of USD 46.57 million (81.8%) in core funds and USD 10.31 million (18.2%) in earmarked funds (see the Summary of Financial Statements). A further USD 9 million was approved under the Envelope Budget in January 2017, to fund 12 additional projects that were geared to meet partner country demands for GGGI to engage in priority impact areas. An integrated and output-based budget approach was adopted for the WPB 2017-2018 to enhance the coherence of resource allocation among divisions and country programs to ensure a 'ONE GGGI' approach. This was also extended to the additional projects funded under the Envelope Budget. The total actual budget expenditure in 2017 was USD 44.11 million, or 77.6% of the budget.

In addition to its programmatic priorities, GGGI also implemented several institutional reforms to improve its business processes, ensure financial stability and strengthen GGGI's efficiency, productivity and capacity to deliver value for money. The overall intent of these reforms is to make GGGI a nimble organization that is better organized and prepared to deliver the Refreshed Strategic Plan 2015-2020, and shift GGGI's predominant reliance on core resources toward a mix of core and earmarked resources. These reforms and initiatives included: continuing efforts to expand membership and resource mobilization, revamping of the project cycle management (PCM), further strengthening of GGGI's results-based management (RBM) system, establishing the Impact and Evaluation Unit (IEU); and various human resources initiatives including a job evaluation exercise and various staff training which includes for example Focus 45 for managers and supervisors, monthly induction training and harassment prevention training.

These initiatives were intended to be achieved within GGGI's underlying goal of spending no more than 17% of core budget on management and administration by 2020.

The subsequent sections of this report provide a comprehensive description on the aggregate corporate performance and results of GGGI's work in 2017, based on the indicators and targets set out in GGGI's CRF (see Annex 1). In addition, a list of the projects undertaken under GGGI's in-country and global programs is also included (see Annex 3).





Intermediate Outcome 1

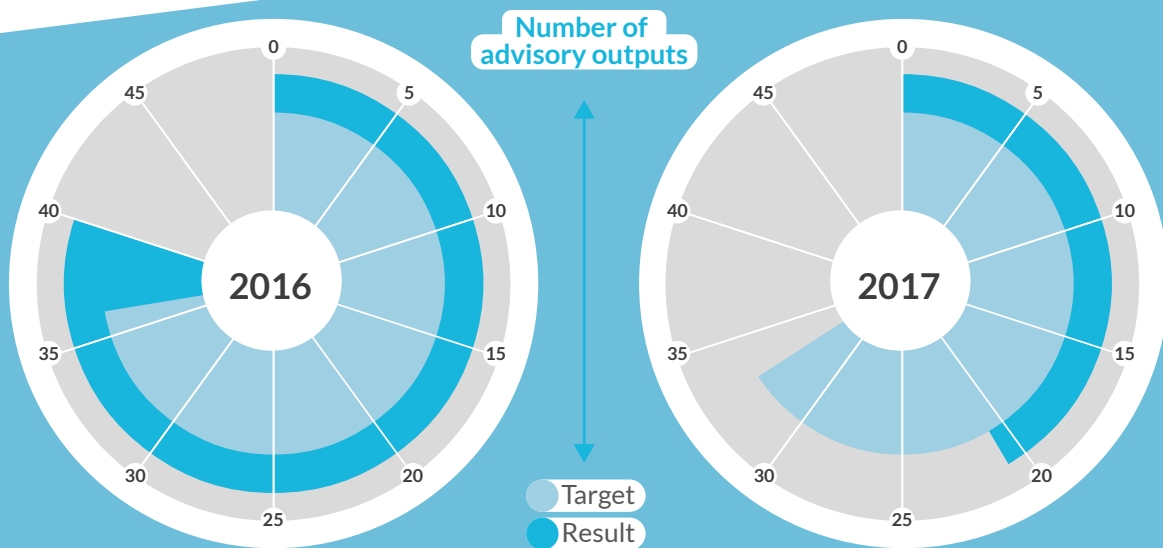
Strengthened national, sub-national, local green growth planning, financing, and institutional frameworks

GGGI's support for partner countries in their successful transition to green growth is delivered along its value chain based on the countries national priorities and demand. Intermediate Outcome 1 focuses on supporting partner countries to put in place policies necessary to transition toward green growth. The results and outcomes relating to Intermediate

Outcome 1 reflect the left-side of the value chain, which is focused on establishing green growth policies at the national, sub-national and sectoral levels. The types of advisory outputs that GGGI provides include diagnostic and technical studies, analytical tools, strategies and road maps that inform the development of government green growth policies.

In 2017, GGGI delivered 21 advisory outputs that supported 14 governments to develop green growth policies against a planned target of 33 outputs.

ADVISORY OUTPUTS THAT INFORM THE DEVELOPMENT OF GREEN GROWTH POLICIES



In 2017, GGGI supported the delivery of 21 advisory outputs that inform the development of green growth policies in 14 countries, namely: Cambodia (2); Colombia (2); Indonesia (2); Lao PDR; Mexico; Myanmar; Peru (2); Philippines (3); Rwanda; Senegal; Thailand; UAE; Vanuatu; and Viet Nam (2). The types of advisory outputs range from supporting the development of a National Strategic Plan for Green Secondary Cities in Cambodia, assessment of green growth potential in Lao PDR and Myanmar, development of the Peoples' Survival Fund in the Philippines to support climate change interventions and development of Peru's National Green Growth Strategy implementation plan. Given the biennium nature of GGGI's projects, the majority of the policy advisory outputs are in preparation and on track and anticipated to be completed in 2018.

Some examples of advisory outputs delivered in 2017 included:

- **National level:** In the United Arab Emirates, GGGI helped produce a National Climate Change Plan which provides a framework for delivering all climate-related elements of the National Green Growth Strategy. The Plan centers on

three priorities: mitigation, adaptation and private sector-led diversification. It sets out five enablers, or means of implementation: innovative green finance, capacity building, governance and evaluation, awareness raising and communication, and international cooperation.

- **Sub-national level:** In Peru, GGGI produced forest economy analyses that were incorporated into the National Forest and Wildlife Plan (NFWP), part of Peru's National Green Growth Strategy Action Plan. Sustainable forest management is a key focus for Peru as more than half of its GHG emissions come from deforestation. The NFWP identifies priority land use investments and financing opportunities to prevent deforestation.

Strengthening Policies for Green Growth

Improved urban planning at the sub-national level in Rwanda and Uganda

With growing recognition of opportunities to increase urban productivity and meet energy demands while reducing GHG emissions, GGGI is taking an innovative approach to provide support for cities and provinces to steer them toward a green and sustainable development path.

Rwanda

In Rwanda, GGGI has supported the central government in implementing its national development plan by developing a National Roadmap for Developing Green Secondary Cities, based on the six cities (Huye, Muhanga, Nyagatare, Rubavu, Musanze and Ruisizi) identified by the government as growth poles. The roadmap serves as an implementation tool for the Development and Poverty Reduction Strategy 2 (EDPRS2) and the Green Growth and Climate Resilience Strategy (GGCRS), and provides key actions and practical planning guidance to policymakers in order to strengthen economic growth, enhance the quality of health and basic services, and to address vulnerability. For example, GGGI provided support to draft the Rwanda Green Building Minimum Compliance and Standards that will replace the current building codes and therefore accelerate green growth and low-carbon development in Rwanda's urban areas.

The World Bank committed USD 95 million in 2016 to support targeted infrastructure development and local economic development in Rwanda's six secondary cities. In 2017, GGGI developed a Green Investment Plan for these six cities, and a number of project concepts were then shortlisted as possible green projects. One of these, the Rubavu Eco-tourism project, has the goal of creating green jobs for those living close to Rubavu. GGGI has added robust financial modelling to ensure project viability and sustainability following the requested grant for CAPEX from FONERWA, and the project was submitted for financing in May 2017. Fecal Sludge Treatment Plants were identified by the government as a further source of potential bankable projects, and GGGI has been requested to provide capacity building and technical assistance to Rwandan partners in this area, with funding from the African Development Bank (AfDB). Under the GCF readiness project, four project concept notes will be developed that help build a pipeline of mitigation and adaptation projects to attract investments.

In 2018, GGGI received approval to implement a USD 600,000 readiness project, funded by the Green Climate Fund (GCF), which aims to ensure that the Government of Rwanda has improved capacity to develop and deliver green city development concepts, identify investment priorities, and is ready to qualify for, and receive GCF climate finance.

Strengthening Policies for Green Growth

Improved urban planning at the sub-national level in Rwanda and Uganda

Uganda

GGGI in Uganda is supporting the central government in mainstreaming green growth in sub-national/sectorial policies, in budgeting, implementation and financing mechanisms by providing assistance in completing the Uganda Green Growth Development Strategy and by developing a costed Green Growth Implementation Roadmap. The roadmap has enabled the Ugandan National Planning Authority (NPA), the Ministry of Finance, Planning and Economic Development (MoFPED) and other ministries to quantify the financial gap which needs to be addressed in order for a green growth transition to be achieved.

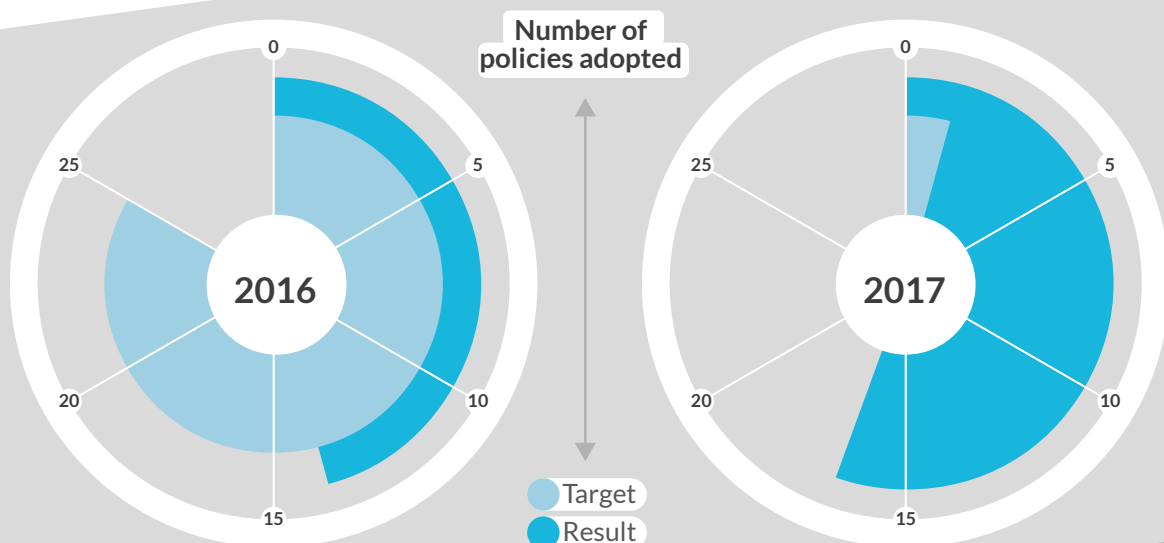
Through its results-based approach, GGGI is committed to making tangible impacts in countries it operates in by facilitating access to finance for the implementation of their NDCs. In Uganda, GGGI supported the Secondary cities of Gulu and Mbarara to develop Green Cities Development Action Plans and Guidelines, which focus on Local Economic Development (LED); Micro, Small and Medium Enterprises (MSME) development, green jobs creation, infrastructure improvements, climate resilience building as well as social wellbeing. These action plans have already been used to inform the budget statements of both secondary cities for the financial year 2018-19.

With a thorough understanding that each country requires tailor-made solutions, GGGI will continue to work toward mobilizing finance for green growth in Africa and globally, in order to achieve Nationally Determined Contributions to the Paris Agreement and make progress on the United Nations Sustainable Development Goals.

In 2017, GGGI outputs contributed to 17 green growth policies being adopted by 11 partner governments against a target of 1.*

These 17 adopted green growth policies include 9 policy outputs completed and adopted in 2017 and 8 policy outputs completed in 2016 but adopted in 2017.

GREEN GROWTH POLICIES ADOPTED BY GOVERNMENTS



* The total green growth policies adopted target for WPB 2017-2018 is 39, with the expectation that a high percentage of policy adoption would occur in the last year of the biennium. GGGI's accelerated delivery of outputs throughout 2017, coupled with outputs delivered in late 2016, resulted in a rate of green growth policy adoption well ahead of the 2017 target.

Some examples of green growth policies adopted in 2017 included:

- National level:** In Uganda, GGGI assisted in the costing and creation of an implementation roadmap for the Uganda Green Growth Development Strategy. The Strategy guides the reconfiguration of Uganda's economy to combine economic growth and low-carbon development. It was officially launched on November 22, 2017, by the Prime Minister of Uganda. GGGI will continue to support the mainstreaming of green growth in sub national and sectoral policies, in budgeting, implementation and financing mechanisms.
- Sub-national level:** In Mexico, GGGI produced a scoping report for the State of Sonora which identifies key opportunities for the Green Growth Strategy of Sonora State at the sub-national level. The report provides guidance for the implementation of the Green Growth Strategy, defining a workplan in priority areas, including urban development; renewable energy; energy efficiency; water management; natural resources; solid waste and public transport.

The above results demonstrate the quantity of our policy work (the number of policies and outcomes achieved) in 2017. The next two results give some sense of the quality of the outcomes achieved.

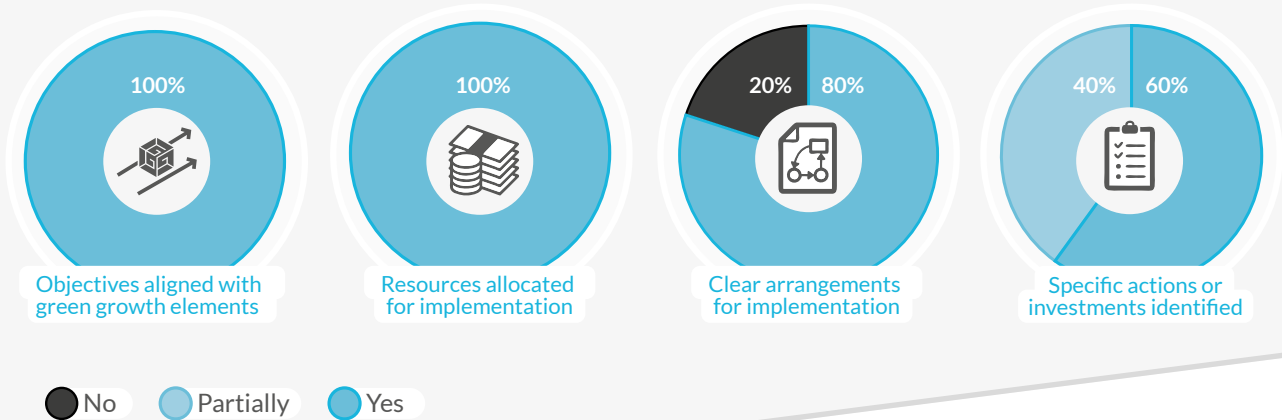
There is a commitment from partner governments to implement the policies aligned with green growth elements; and these policies are likely to lead to transformational change if implemented.

Of the green growth policies adopted in 2017, the majority demonstrated a clear contribution to various elements of green growth.

A qualitative scorecard approach was adopted to assess the extent to which the 5 policies produced and adopted in 2017 were likely to be implemented and achieve transformational change. Those policies were: the National Development Plan in Fiji; the Green Growth Strategy of Sonora State in Mexico; the Palawan Province Sector Resolutions in the Philippines; and 2 Green City District Development Plans in Rwanda. The scorecard was issued to these projects to assess the presence of 4 key elements highlighted below: (i) objectives were aligned with green growth elements, (ii) resources were allocated to implementation, (iii) clear arrangements were established for implementation, and (iv) specific actions or investments were identified as a result of the adopted policies.

As illustrated below, these 5 policies adopted by the governments were funded and resourced for implementation, demonstrating partner that governments are committed to implementing adopted green growth policies that seek to incorporate green growth elements.

EXTENT TO WHICH POLICIES ADOPTED BY GOVERNMENTS ARE LIKELY TO LEAD TO TRANSFORMATIONAL CHANGE



The results indicate that green growth policies put in place by partner governments are likely to be implemented. These policies in turn can achieve transformational change as highlighted in the example below:

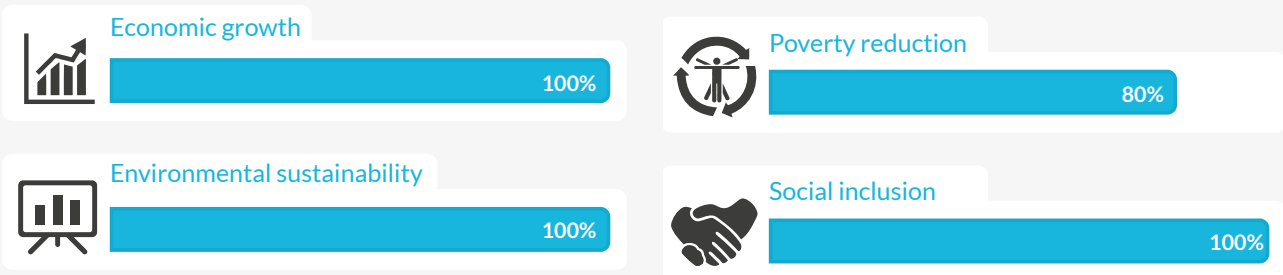
- Fiji:** The Government of Fiji is committed to promoting a transformational change in Fiji's economy toward a green growth model and to this end, it had sought GGGI's support in 2015 to prepare a new Fiji National Development Plan (NDP). The NDP which provides an integrated national green growth framework was completed in 2016, approved in 2017, and officially launched at COP23 in Bonn, Germany, in November 2017. The Fijian NDP answered yes to each of the scorecard items. It is a country-wide program, large scale in focus, and was aligned with each of the 4 elements of green growth. The government has allocated annual budgetary funds to the policies contained in the NDP, indicating that it is likely that implementation will proceed soon.

Similarly, the five policies completed and adopted in 2017 were assessed according to the four elements of green growth that GGGI aligns its programs with to promote human development, namely; economic growth, poverty reduction, environmental sustainability and social inclusion. In 2017, these five policies were reported to have contributed to more than three of the four dimensions.

While the five adopted policies represent only a small sample of the 2017 programmatic activities, it is notable that gradually a large share of these policies have begun to target social inclusion. The topic of Efficiency with Inclusion contained in the GGS aims to promote a greater inclusion of women in economic activity through reduction of the wage gender gap and establishing minimum representation quotas in the workplace.

Since 2015, rates of social inclusion have been climbing steadily. Half of the policies targeted social inclusion in 2015, 89% in 2016 and 100% in 2017. This reflects GGGI's commitment to mainstreaming all 4 elements in its programs, including social inclusion.

POLICIES CONTRIBUTION TO THE 4 ELEMENTS OF GREEN GROWTH



Strengthening Policies for Green Growth

Support for NDC Roadmaps in Fiji and Thailand

GGGI supports countries streamline existing strategies and plans to help in achieving their NDC targets. GGGI also develops national action plans and implementation roadmaps for NDC priority areas, including identification and prioritization of mitigation and adaptation policies and actions through consultations with relevant stakeholders and decision makers.

Fiji

To address Fiji's primary development challenges including vulnerability to external shocks, high dependence on imported fossil fuels, damage to the environment and biodiversity and inadequate infrastructure, the Government of Fiji (GoF) has committed to integrating green growth into its development efforts. In 2017, GoF, in partnership with GGGI, identified the need to align its national targets with its Nationally Determined Contributions (NDC) targets under the Paris Agreement. GGGI provided technical assistance support to help GoF bridge this gap and ensure synergies between national indicators with international obligations through green growth.

GGGI worked with the Ministry of Economy (MOE) and its Climate Change Unit (CCU) in developing an NDC Roadmap for critical sectors of Fiji's economy aligned to the country's NDC targets. During consultations with MOE and CCU to derive methodology and implementation guidelines of the NDC Roadmap, data collection and analysis, and stakeholder consultation and validation workshops on the draft NDC Roadmap were undertaken and conducted. The NDC Roadmap was finalized and launched in Bonn, Germany during COP23 by GoF and GGGI in November, and capacity building training was conducted in December.

Thailand

In Thailand, the Industry GHG Reduction Roadmap, which was developed with GGGI support during 2014-2016, focuses on three high impact industrial sectors: automotive parts, palm oil, and frozen seafood. These sectors are crucial in NDC implementation and have significant GHG reduction potential. Developing green projects (e.g. energy efficiency and renewable energy) in these sectors could effectively contribute to national effort in meeting NDC targets. However, these industries or companies, especially small and medium enterprises (SMEs), still lack the technical and financial capacity to develop and implement the green projects.

To help the Government of Thailand reach its NDC targets of reducing GHG emissions by 20-25% from projected BAU levels by 2030, GGGI completed in 2017 the NDC Action Plan for the Industrial Sector. This was developed in parallel with the NDC Roadmap, led by Thailand's Office of Natural Resources and Environment (ONEP). The NDC Action Plan for the Industrial Sector outlines priority subsectors and emission reductions measures, potential implementation mechanisms and key elements of relevant agencies' functions, institutional structures, as well as other essentials to the NDC implementation in the sector including a monitoring, review, and verification framework.

In January 2017, GGGI, in partnership with ONEP, the Thailand Greenhouse Gas Management Organization (TGO), the United Nations Development Program (UNDP) and German International Cooperation (GIZ), organized a national consultation for NDC Roadmap. At this time, the NDC Action Plan was shared and well received by the participants.

After the NDC Action Plan completion, GGGI worked on the development of bankable green projects to support NDC implementation. GGGI consulted 50 SMEs to explore potential for green project development, and 10 projects were consequently selected for further scoping. Two potential green projects were shortlisted for further development for bankability in 2018.



Intermediate Outcome 2

Increased green investment flows

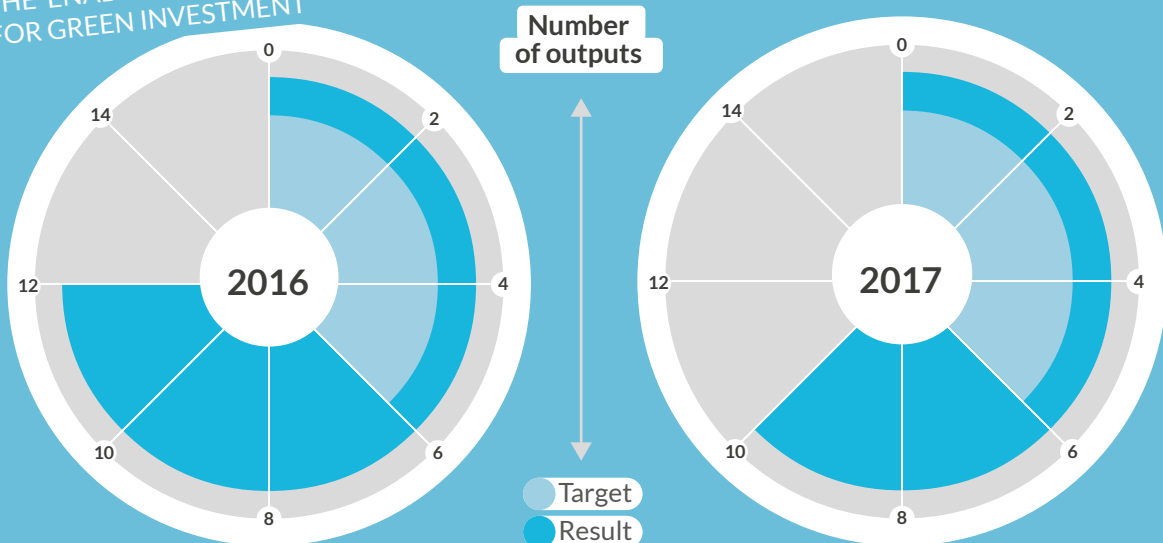
In 2016, GGGI made significant progress in developing and mainstreaming green growth in the plans and policies of its partner countries, which laid the foundation for their transformational change to green growth. In 2017, GGGI advanced its work further along the 'right side' of its value chain, focusing on scaling up the mobilization of green investment flows to fund the implementation of green growth projects.

GGGI's 2017 priority was to mobilize green investments from both the public and private sector by improving the enabling environment for investors. To that end, GGGI developed de-risking tools and helped implement regulatory reforms. GGGI also directly mobilized investments for partner countries by developing investment proposals, bankable projects and National Financing Vehicles (NFVs).

One of the most important challenges for GGGI is turning its partner government's commitments to promote green growth into funded projects that tangibly help partner countries transition to sustainable green growth. This involves identifying interventions to create the necessary financial and market conditions to make green growth investments attractive to investors. In 2017, such interventions included: removing barriers to investment; attracting domestic and international finance; developing risk reducing financial instruments. These interventions have assisted to rapidly develop markets for green growth projects and products.

In 2017, GGGI delivered 10 outputs that aim to improve the enabling environment for green growth investments, against the planned target of 6.

OUTPUTS TO IMPROVE THE ENABLING ENVIRONMENT FOR GREEN INVESTMENT





GGGI in Ethiopia: developing a climate resilient green economy

Some examples of enabling outputs delivered in 2017 included:

- Ethiopia:** GGGI produced an important de-risking instrument for the Ministry of Finance and Economic Cooperation by developing an investment profile for the Mekele City Water Supply Project. GGGI helped draft the project concept and business case and assisted with a fundraising effort that has developed an investment profile valued at approximately USD 337 million. As a result of GGGI's support, financing commitments have been obtained from private financiers for the entire project.
- Indonesia:** GGGI supported the development of a large photovoltaic (PV) project, demonstrating the commercial viability of solar power development for remote islands, with an estimated value of USD 17.45 million. GGGI also executed a feasibility study for the connection of existing Diesel-powered grids to PV plants. The study nominated 6 financially viable locations, with an estimated capital expenditure of more than USD 15 million. The projects have since received Letters of Intent and it is likely that this demonstration project provides evidence of the feasibility of similar projects and improves the enabling environment for investment around sustainable energy in Indonesia.

Enabling Environment for Green Growth Investments

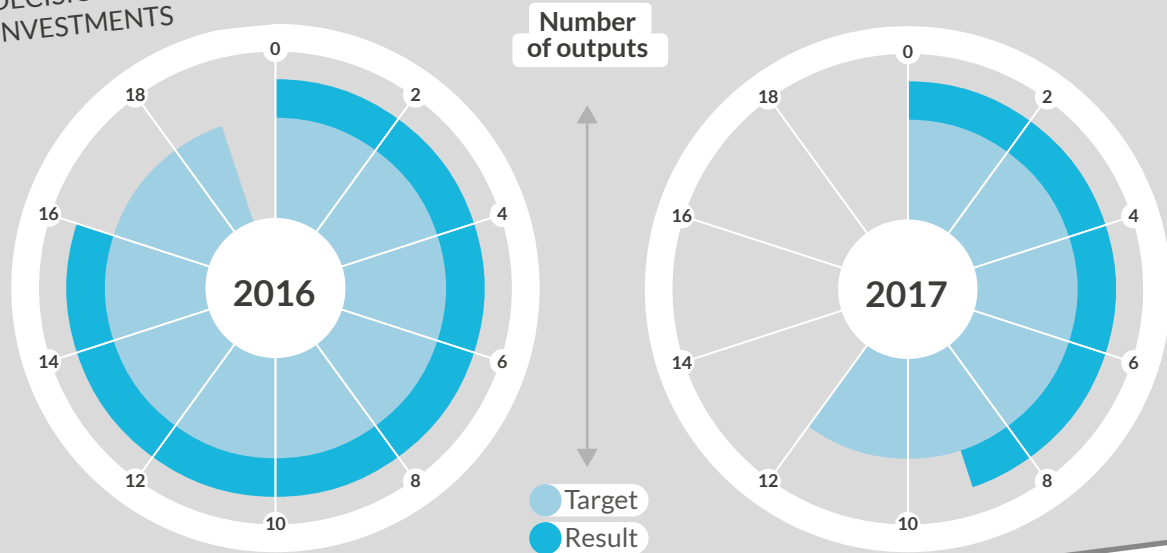
Support to operationalize the Philippines' People's Survival Fund

GGGI has assisted the Government of the Philippines to operationalize the People's Survival Fund (PSF). The PSF is a special fund under the National Treasury dedicated to financing local climate change adaptation interventions that aim to respond to the National Framework Strategy on Climate Change (NFSCC) with a minimum allocation of approximately USD 25 million annually. The PSF is designed to address the funding gaps for local climate adaptation projects for the Local Government Units and government accredited local community organizations. Ultimately, the PSF serves as an innovative financial instrument that enables investment to reach even the poorest and most rural areas of the Philippines.

In 2017, GGGI prepared institutional documents for the PSF, helping to craft its implementation strategy and preparing an institutional development plan. GGGI also supported the PSF Secretariat to develop a Monitoring and Evaluation System (MES) that provide a systematic way to monitor, track and manage the project proposals submitted by LGUs and LCOs. The MES also provides the Secretariat information and data essential for its reporting processes. Moreover, the MES functions as a knowledge management tool. It is a repository of data and information for the PSF Secretariat needed for policy decisions and actions. Additionally, GGGI developed a PSF Guidebook on Results-Based Management and Evaluation to ensure value for money and manage results to achieve meaningful progress. The guidebook serves as a preliminary document in promoting a common understanding and reliable practice of Results-Based Management and Evaluation for PSF. This allows a continuous feedback of information for governing and decision-making, ensuring an emphasis on results-driven planning and implementation.

In 2017, GGGI delivered 9 advisory outputs that informed decisions on green growth investment against a planned target of 12.

OUTPUTS THAT INFORM DECISIONS ON GREEN GROWTH INVESTMENTS



In 2017, the development of NFVs to help countries unlock green growth investments was a key priority. GGGI worked with five Member countries, Colombia, Costa Rica, Mongolia, Rwanda and Vanuatu to develop NFVs to receive and manage climate finance. GGGI also began initial assessments for NFVs in five other partner countries, Bhutan, Burkina Faso, Mozambique, Lao PDR and Uganda. Two of the NFVs completed in 2017 are described below:

- Mongolia:** GGGI led the design of the Mongolian Green Credit Fund (MGCF), the country’s first and only dedicated financial vehicle for climate finance. The fund aims to address air pollution in Ulaanbaatar, which was among the world’s worst during last winter. GGGI helped in producing the MGCF Business Plan and commencement of a pipeline development project.

- Vanuatu:** GGGI helped establish the National Green Energy Fund (NGEF), for Vanuatu. The NGEF aims to provide increased financing for energy access and green energy projects in Vanuatu. It was set up on May 29, 2017, and the government contributed a seed fund of USD 68,000 with a planned allocation of USD 0.6 million annually from 2018. The NGEF incorporates Safeguards Poverty Reductions and Social Inclusion best practices, including gender-sensitive project design and implementation.

Increased Green Investment

Supporting partners to access green and climate finance

Ethiopia: In 2017, USD 337 million of investment commitment was mobilized from the international private sector through the Ministry of Finance and Economic Cooperation (MoFEC) with the support of GGGI. GGGI helped produce a pipeline of projects for USD 337 million for the Mekelle City Water Project. A record for GGGI in 2017, the case demonstrated how partnerships with and funding commitments from the private sector to advance green growth programs can serve as a model for other GGGI partner countries. In addition, GGGI also supported MoFEC to develop its Global Climate Fund (GCF) Project to enhance critical irrigations systems in regularly drought-stricken areas. In October, GCF approved the USD 50 million project, contributing USD 45 million with a USD 5 million co-contribution from the Ethiopian Government. Finally, GGGI assisted MoFEC to obtain an Adaptation Fund investment of just under USD 10 million in March, 2017.

Rwanda: In 2017, GGGI helped mobilize USD 60 million in private investment for a Cactus Green Park development in Kigali as part of the Green City Pilot project, which will serve as a model for the implementation of the national green urbanization policy. Pre-feasibility studies into the Cactus Green Park development pre-feasibility studies, financed by FONERWA - a national financing vehicle in Rwanda that GGGI helped establish - found that substantial changes had to be made to make the project commercially viable. GGGI provided extensive support to complete architectural drawings and pricing structures. These pricing structures included recommendations to reduce emissions in the design process, a recommendation to use local construction materials, innovative waste water treatments and renewable energy generation and energy efficient designs. This support allowed the private investment group, Horizon, to finish its business planning and move forward with the estimated USD 60 million Cactus Park development.

India: In 2016, GGGI developed a Green Growth Strategy for Karnataka. It identified electric mobility in public transportation as a priority green growth opportunity. GGGI provided implementation support for the Strategy by assisting the Bangalore Metropolitan Transport Corporation develop a business case and financing proposal for electric buses under the national level Faster Adoption and Manufacturing of Electric Vehicles scheme. In March 2017, the Chief Minister of the State committed an investment of USD 30 million to the scheme to introduce 150 electric buses in Bangalore city.

Indonesia: GGGI supported the development of a large photovoltaic (PV) project, demonstrating the commercial viability of solar power development for remote islands, with an estimated value of USD 17.45 million. GGGI also executed a feasibility study for the connection of existing Diesel-powered grids to PV plants. The study nominated 6 locations, which are financially viable with an estimated capital expenditure of more than USD 15 million. The projects have attracted private sector investment, totaling USD 32.45 million and demonstrating the commercial feasibility of replicable and scalable sustainable energy projects in Indonesia.

Costa Rica: GGGI provided inputs in support of a concept note for the Environmental Bank Foundation (FUNBAM), a specialized financing vehicle for ecosystem management and sustainable development across the country. The inputs provided an analysis of the current capacity, performance record and legal structure. The concept for the specialized financing vehicle recommended a contribution of USD 1 million of seed funds to help FUNBAM become an independent financing entity, which the Government approved in April 2017.

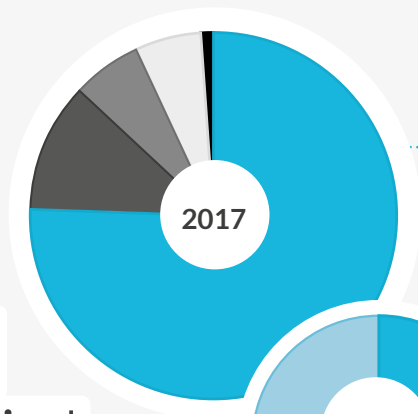
Fiji: GGGI helped complete a pre-feasibility study for a project aiming to deliver 100% renewable energy for the Islands of Ovalau and Taveuni. The successful completion of the study for Taveuni has led to a full feasibility study undertaken with the Ministry of Economy and Fiji Electricity Authority for a 1.55-megawatt Solar Power system. Upon GGGI's discussions and negotiations with the Korea International Cooperation Agency, a contribution of USD 3.5 million capital for the implementation of the project has been committed based on the completion of the full feasibility study.

In 2017, the increased focus on moving to the 'right-hand side' of GGGI's Value Chain resulted in identification and preparation of bankable projects and NFVs. GGGI's support in Costa Rica, Ethiopia, Fiji, India, Indonesia, Rwanda and Vanuatu mobilized finance from governments and donors to fund green growth activities.

GGGI, in 2017, supported the mobilization of USD 524.6 million in investment, a record that significantly exceeded the year's target of USD 64 million. Of this amount, USD 337 million of investment in Ethiopia, USD 60 million of investment in Rwanda, and USD 15 million of investment in Indonesia was mobilized from the private sector. Private sector financing accounted for 78.5% of the investments mobilized for 2017 with the balance contributed by governments and donors.

In 2017, GGGI contributed to the mobilization of USD 524.6 million toward green growth investments, against a target of USD 64.0 million.

ADVISORY OUTPUTS THAT INFORM DECISIONS ON GREEN GROWTH INVESTMENTS

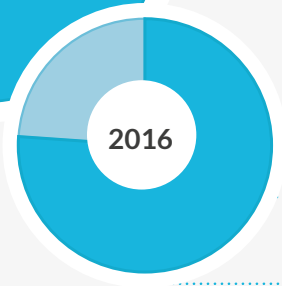


Target
USD 64 million

Result
USD 524.6 million

2017

- Ethiopia, USD 397 million
- Rwanda, USD 60 million
- Indonesia, USD 32.5 million
- India, USD 30 million
- Others, USD 5.2 million



Target
USD 18 million

Result
USD 105 million

2016

- Ethiopia, USD 80 million
- Colombia, USD 25 million

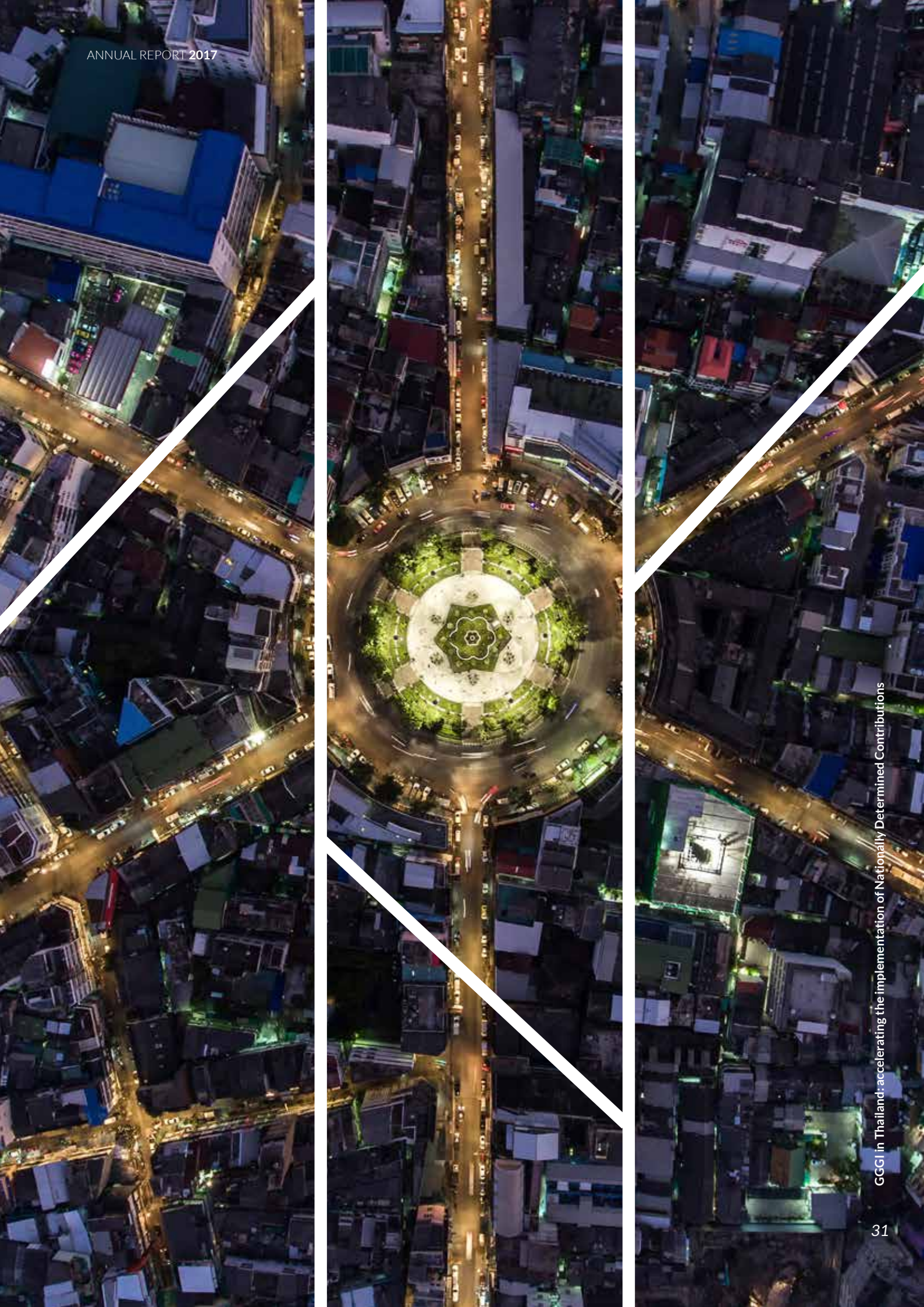
The total amount of investment was a historic record of

USD 524.6 million!

78.5% mobilized from the Private Sector

The high level of investment mobilized, particularly from the private sector, is an important step forward for GGGI in broadening the opportunities for raising investment capital to implement green growth development projects in Member and partner countries.

While the total private investment mobilized in 2017 is concentrated in only 3 countries - Ethiopia, Rwanda, and Indonesia - this achievement overall provides strong evidence that partner countries can aggressively pursue opportunities with the private sector to co-fund their green growth ambitions.



Intermediate Outcome 3

Improved multi-directional knowledge sharing and learning between South-South and South-North-South countries

An important pillar in advancing GGGI's global green growth agenda and global and national actions is the sharing of knowledge, success stories, best practices, technologies and tools, between countries, the private sector and non-state actors. To this end, GGGI leverages its extensive partner network, made up of partner countries; international and local green growth stakeholders; the private sector; academia; and civil society, to actively support and participate in national, regional and global platforms and deliver capacity building and knowledge

sharing initiatives focused on green growth. This highlights GGGI's strategic role as a broker of green growth knowledge and learning between countries and other non-state actors.

Results delivered under Intermediate Outcome 3 demonstrate how well GGGI is fulfilling its role to build capacity, partnerships, to harness knowledge to inform policy and investment decisions, and support leaders to better advocate for green growth.

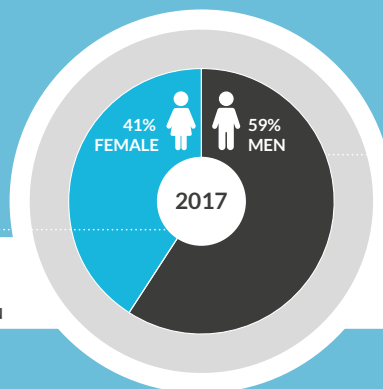
Capacity building: GGGI delivered 160 capacity building activities in 2017.

Of these activities, 37% involved sharing of lessons from other countries.

CAPACITY BUILDING ACTIVITIES



2017 PARTICIPATION BY GENDER



160 CAPACITY BUILDING ACTIVITIES
14% MORE THAN 2016
7,307 PARTICIPANTS
56% MORE THAN 2016

97% of people participating in capacity development activities have gained knowledge and skills



GGGI in Vanuatu: mobilizing finance for renewable energy

In 2017, GGGI delivered 160 capacity building activities. The participants benefited from knowledge and skills transfer and skills development which enhanced Member and partner countries capacity to develop and implement green growth policies, investments and project implementation. For projects that collected participation rates by gender, the overall participation rate was 41% female and 59% male. Of the 2017 activities, 37% of capacity building events involved sharing of lessons from other countries.

The capacity development events were based on engagement with international and local partners, including private sector and civil society. Through multi-stakeholder initiatives, these activities have identified synergies and maximized effectiveness of resources. Some highlights of the type of events held in 2017 include:

- Rwanda – Investment Mobilized:** The identification of knowledge gaps and instigation of targeted knowledge sharing and capacity building events is an integral part of GGGI's work to strengthen green growth policies and ultimately mobilize green growth investments for partner countries. In Rwanda, GGGI introduced the "Training for Trainers Program" which sought to improve skills amongst government officials designing and implementing green secondary cities programs. The launching workshop, attended by 36 officials, provided them the skills to produce concept notes for secondary cities programs and helped them share that knowledge with their implementing partners and teams. Following the workshop, 6 green city concept notes were produced by the officials which led to 6 secondary cities adopting green growth policies. The robustness of these projects has attracted private sector interest. As part of one of the Green City Pilot Projects, GGGI helped to mobilize USD 60 million in private investment for a Cactus Park Housing Development.

- China - South-South Cooperation:**

GGGI partnered with the Government of China to coordinate 10 knowledge sharing events as part of the China Climate Change Seminar Program for the Belt and Road Countries. China sponsored 56 officials from 13 GGGI member countries to attend training focused on Chinese experiences in green growth development. Each training lasted 2-3 weeks, sharing knowledge of best-practices in technology and policies regarding climate change mitigation, renewable energy, energy efficiency and sustainable cities. Clear feedback among participants indicated that their capacity to implement green growth was increased by knowledge gained through the training and that the lessons learned would be applicable to projects they are responsible for implementing in their home countries. In China, the recommendations acquired through such events were consolidated and delivered to senior government officials. Furthermore, as part of this training, officials were afforded the opportunity to meet with multiple high level decision makers regarding policy and green technology exchanges between countries. The Chinese Government also indicated that alumni of the program are welcome to China at any time and would be provided high-level access to cooperation project stakeholders in the future.

- Country Knowledge Building:** In Senegal, GGGI jointly organized a capacity building event with the Ministry of Environment and Sustainable Development for 20 mayors, members of the Network of Green Cities and Towns of Senegal. The event focused on lessons about Green City Development and was built on experiences drawn from similar projects in Rwanda, Vietnam and Cambodia. The participants benefited from discussions about best practices in green city development and learning from other countries' experiences.
- Green Growth Knowledge Platform:** In 2016, GGGI linked the Green-Win project website to the Green Growth Knowledge Platform (GGKP), creating a green growth development focused knowledge sharing resource. In 2017, GGGI continued to maintain the website, publishing 15 blogs and disseminating publications to help share knowledge, accelerate learning and build capacity on the knowledge resources generated through Green-Win using the GGKP.

GGGI values its role as a broker in forging important and high value partnerships with non-state actors outside its formal relationships with key government counterparts who are the key beneficiaries of its projects. These non-state partners include green growth and environmental organizations, the private sector, non-government organizations, multilateral development banks, multilateral agencies, bilateral agencies and cross governmental partnerships.

In 2017, GGGI projects were active in brokering partnerships to meet country needs. Partnerships were forged to facilitate 26 projects across 17 countries, against a target of 5. This was up from 2016 when 23 projects reported developing partnerships across 14 countries.

While the data was not fully reported on the proportion of people participating in GGGI's capacity development activities, across the 12 countries that reported it, an average of 97% of the participants felt they had gained increased knowledge and skills as a result of attending a GGGI event.



Facilitating Partnerships to Meet Country Needs

Partnership with Green Climate Fund

A common goal and the complementarity delivery models GGGI and GCF have allowed for a strong strategic partnership between the two organizations.

GCF and GGGI signed an Memorandum of Understanding and a Framework Readiness and Preparatory Support Grant Agreement in April 2017 to guide cooperation, leveraging GGGI's local presence, relationships and knowledge to support the implementation of ambitious green growth programs and climate change projects in developing countries. In 2017, GGGI began supporting its Member and partner countries under the GCF Readiness and Preparatory Support Programme. As of March 2018, GGGI has provided technical assistance to prepare proposals for readiness grants in 10 countries.

GGGI is supporting the implementation of readiness projects in Mongolia, Vanuatu, Papua New Guinea, Thailand, Lao PDR and Rwanda. To date, readiness proposals valued at USD 6.5 million have been submitted by GGGI partner countries and USD 2.8 million has been secured from GCF for these countries.

- **In Mongolia**, readiness activities focus on the development of the Mongolia Green Credit Fund as a market instrument to mobilize private financing to help reach the GHG reduction targets defined in Mongolia's NDCs.
- **In Vanuatu**, the readiness program assists in the establishment of the National Green Energy Fund in-line with the NDCs of Vanuatu to achieve 100% electrification for everyone through renewable energy sources.
- The readiness support for **Papua New Guinea, Lao PDR and Thailand** will strengthen the country's engagement with GCF and help build capacity of public and private sector actors to design and implement climate change projects.
- GGGI supported the **Ethiopian** Ministry of Finance and Economic Cooperation to prepare the GCF project for responding to the increasing risk of drought: building gender-responsive resilience of the most vulnerable communities. A USD 50 million climate adaptation project was approved by the GCF in October 2017.
- GGGI provided support to **Rwanda's** FONERWA to prepare the USD 32.79 million GCF project, Strengthening climate resilience of rural communities in Northern Rwanda, with the Ministry of Environment of Rwanda.

GCF and GGGI are pursuing long-term cooperation through **joint capacity development and peer-to-peer knowledge exchange events**. During the Global Green Growth Week in Ethiopia in October 2017, GGGI organized a Readiness Workshop and Project Preparation Clinic with the GCF. To build further on cooperation areas, GGGI and GCF aim to provide joint support for country programming in priority countries to prepare quality, investment-ready climate change projects for GCF funding. Aligned with GGGI Refreshed Strategic Plan and the six strategic outcomes, this strategic partnership is expected to mobilize USD 20 million readiness funds to build capacity of the countries and result in USD 500 million portfolio of GCF-funded projects in more than 20 GGGI partner countries.



GGGI's outputs that incorporated lessons from other countries informed 3 out of the 5 of the 5 policies (60%) that were completed and adopted by partner governments in 2017 with GGGI's support.

Policy and investment outcomes achieved by country programs have been informed by the efforts to share knowledge between countries. While no target was set for this indicator, the result assesses the extent to which internationally recognized best practices and lessons from partner countries inform policy development and investment mobilization. For example:

- Rwanda:** In assisting to prepare and adopt District Development Plans for Secondary Cities, GGGI built on knowledge, best-practices, and lessons learned from partner countries by organizing workshops, country visits and media communications. The GGGI Rwanda team shared its experience in designing national finance vehicles with the GGGI Mozambique team, while GGGI staff from Cambodia visited Rwanda to learn how secondary cities were being designed and implemented in Rwanda and share their own experiences. In addition, a high-level conference,

In 2017, 27 projects implemented by GGGI had reported helping leaders in more than 19 countries to better advocate for green growth by providing examples of success.

the Rwanda Green Growth Week, provided an opportunity to share lessons between the Rwandan government and non-government actors, GGGI teams from Senegal, Uganda and Ethiopia, the African Partnership on Low Emission Development Strategies, and members of Rwanda's green secondary cities program. These knowledge sharing events offered an opportunity to replicate and build on successes from other programs to cost-effectively maximize project impact.

Under the Strategic Plan 2015-2020, GGGI's goal is to mainstream green growth in its Member and partner countries planning and investments. To achieve this, a key role of GGGI is to build political support and increase advocacy for green growth amongst influential leaders, using its projects as examples of supporting evidence. The 2017 results indicate that good progress has been made toward fulfilling this role.

Facilitating Knowledge Sharing to Meet Country Needs

Global Green Growth Week 2017

GGGI and the Federal Democratic Republic of Ethiopia hosted Global Green Growth Week 2017 (GGGWeek2017) from October 17-20, 2017, at the United Nations Conference Centre (UNCC) in Addis Ababa, Ethiopia.

Over 500 participants attended GGGWeek2017, including high-level ministers, thought leaders, institutional investors and decision makers seeking to scale up green growth in Africa and around the world. The event served as an opportunity to network, learn, share, and catalyze creative solutions for transformational green growth. It focused on Africa, detailing existing program's achievements, best practices and identifying opportunities to replicate and learn from past experiences.

GGGWeek2017 featured opportunities to forge partnerships, identify research areas, secure financing, and engage with global green growth leaders. With a focus on environmentally sustainable, socially inclusive economic growth, sustainable resource management, climate finance, and more, GGGWeek2017 provided participants with learning and sharing opportunities across a range of sectors and thematic areas.

Throughout GGGWeek2017, over 20 interactive sessions meeting highlighted examples and best practices of global green growth interventions, policies and strategies.

Expanding our membership: In September 2017, Lao PDR, became a GGGI Member country.

Lao PDR joined as GGGI's 28th Member country in September 2017. Also, new offices were opened in Mozambique, Myanmar and Nepal.



Maximizing organizational effectiveness and efficiency

In 2017, GGGI continued to improve its financial stability and business processes. This is in response to the 2015 Joint Donor Review, and to provide corporate support for improved delivery of programmatic and

operational priorities and strengthen transparency and integrity. Much of this effort has been initiated under the iGROW business reform.



In November 2017, a management reform process, internally branded iGROW, was launched with a view to position GGGI as: (i) a lead player promoting green growth; (ii) a well-funded organization with a growing pipeline of projects; (iii) an organization delivering exciting projects actively supported by stakeholders; (iv) an organization with strong partners and extended portfolios; (v) an organization which delivers products and services at optimum cost; (vi) a responsible and value-driven organization that is trusted; and (vi) a great place to work.

To achieve maximum results, the reform process is deploying approaches that leverage the organizational enablers of values and strategy, policies, systems and processes, and the people of GGGI.

With regards to strategy and values, the Council approved a Refreshed GGGI Strategic Plan, 2015-2020, in October 2017. In the Strategic Plan, GGGI articulates five core values and six Strategic Outcomes (SOs). The SOs represent the long-term ambition of GGGI's contribution to assisting countries make a lasting transition to green growth.

In terms of policies, system and processes, within iGROW, GGGI launched a review of its core business processes, including processes for resource mobilization and project management. The Customer Relationship Management is supporting the implementation of iGrow. In relation to this approach, responsibility for resource mobilization has been transferred to GGGI's country offices, further positioning them as autonomous business units with enhanced in-house capacity to implement projects.

With regard to the people of GGGI, the Institute has launched culture circles to ensure absorption of its values. In addition, GGGI is mobilizing its middle management in a leadership effort through management training provided to unit heads, establishing the *Focus 45* managers. Trainings are also being provided, including in the context of rolling out the Customer Relationship Management system.

LDCs and MICs program allocations

To enhance its presence in Least Developed Countries (LDCs) GGGI has established 2020 targets to allocate 50% of core program resources to LDCs. In 2017, GGGI surpassed this target by allocating 53% of core program resources to its Member and partner LDCs. For Member LDCs, GGGI has a target to allocate 42% of core program resources by 2020 target. In 2017, core funding to Member LDCs was 35%, compared to 26% in 2016. The main increase in core program

budget allocation can be attributed to basing operations in Ethiopia on core funding and attributing the costs of Green Investment Services to the countries and projects which they support. Similarly, GGGI has established 2020 targets to allocate 87% of core country program budget to Member LDCs and MICs combined. In 2017, core funding to LDCs and MICs was 72% compared to 67% in 2016.

	2016	2017	2020 (Target)
% of core country program budget allocated to Member LDCs	26%	35%	42%
% of core country program budget allocated to Member LDCs and MICs combined	67%	72%	87%

Enhancing efficiency

Implementation of the WPB in 2017 reflected a commitment to efficiency of internal support functions, particularly performance of human resources management, legal, finance, and facilities services in line with the reform agenda. GGGI is further strengthening the foundation for a country-based

operation model and ability to respond to the needs of its partners by empowering staff in the field and those closer to the clients to make necessary decisions on GGGI operations. For example, GGGI is moving the responsibility and accountability for GGGI resource mobilization to its country offices.

	2016	2017	2020 (Target)
% of spending on management and administration	20%	16%	17%
% of spending on non-programmatic activities	36%	30%	30%

To track performance of enhancing efficiency, GGGI has established 2020 targets for percentage of spending on management and administration and non-programmatic activities. The results for 2017, calculated based on core budget allotments, show

improvements to 16% and 30% respectively compared to 2016. The improvements stem mainly from an overall 14% reduction of budget for finance and procurement, human resources, and IT services.

Transparency and Accountability

Financial statements were released on time (4th Week of March 2017) with an unqualified opinion and no significant findings noted by external auditors. This is an important proxy testifying to the strength and transparency of the financial, accounting and procurement policies and systems and effectiveness of the control environment to manage risks.

This Annual Report includes reports for all 49 projects implemented in 2017 under the biennium WPB 2017-2018. GGGI will continue to strengthen its Results Based Management (RBM) system to better manage and control in the generation, reporting and accountability for the organization's institutional and programmatic results and impacts.

Strengthening our funding base

GGGI's operating income for 2017 was lower than in 2016. However, a moderate increase is projected for 2018. Since 2013, GGGI has relied primarily on core contributions to fund its operating income. However, since 2015 core contributions have decreased, while earmarked contributions have increased. In response to this trend, GGGI has taken decisive and prudent steps to change its business model to be able to attract sufficient development capital.

To respond to this challenge, GGGI is focused, through collaboration among GGGI's headquarters and country offices, on identifying potential earmarked funding sources to meet GGGI's programmatic priorities going forward. The primary goal of these efforts is to increase resources to respond to the needs of our Member countries and to add value by catalyzing additional resources for green growth support in our partner countries.

Introducing Evaluation

In 2017, GGGI sought to strengthen its results-based management capabilities by establishing an Impact & Evaluation Unit (IEU). In its first year, IEU focused on establishing the necessary governance and management policies and systems to operate, and beginning to commission independent evaluations of GGGI's work.

IEU conducted its first evaluation to assess the Institute's progress against the Strategic Plan 2015-20. This evaluation examined a range of programmatic and institutional issues, and was informed by in-depth reviews of a sample of country and global projects. The evaluation was concluded and released in June 2017, and found overall that GGGI was making good progress against its strategic priorities, whilst also highlighting some areas where the Institute could improve.

In the second half of 2017, IEU developed and released a formal evaluation policy in August, and commenced independent evaluations of its Thailand and Mexico country programs. The findings of this work are due to be published in early 2018.

Risk Management

Since 2015, GGGI has internally managed its risks under a number of risk headings related to the organizational structure and governance, operational program and portfolio, legal, financial management and operations, human resources management, information technology, data and asset management, and working environment.

In 2017, GGGI emphasized the need for robust corporate risk management, particularly in recognition of the operational necessity for GGGI to develop business models for that are conventionally considered risky. GGGI works in sub-commercial sectors where private finance has yet to enter and needs de-risking, GGGI also needs to pilot projects, or engage in the design of high-risk yet innovative models of green growth. GGGI and its governance bodies are aware that GGGI's project failure rate may exceed that of conventional development agencies and therefore, the risk appetite of GGGI and its Members is higher. Such a heightened risk appetite places additional emphasis on strong corporate risk management practices, with prudent business processes, and efficient and effective resource management.

In October 2017, GGGI officially adopted a Risk Management Framework (RMF), which consolidates GGGI's risk awareness and risk management culture,

establishes a registry of risk and its mitigation measures, and provides a monitoring framework for risk management. The RMF is monitored by the Management Team by using the Risk Management Matrix. This is a tool developed for internal consultation and assessment that specifically provides a description of risks that GGGI faces with indications of the rating and ranking system and includes risk mitigation measures, which, in turn, are implemented through the organization's daily operations, and assigns accountabilities for carrying out the specific risk mitigation measures. The Director-General is responsible for overall risk management and reporting on risk management to the MPSC biannually and to the Council annually through the Annual Report.

In March 2018, the GGGI Management Team reviewed the risks to the organization, business processes, portfolio and assets, and assessed that adequate measures are being implemented to sufficiently manage and reduce GGGI's risk.

Ensuring Integrity

GGGI is continually striving to build and enhance rigorous external and internal safeguard and accountability systems that are aligned with international standards and best practices.

GGGI's Anti-Corruption Policy affirms a zero-tolerance policy against fraud, corruption, coercion and collusion perpetrated by staff members or third parties that directly or indirectly do business with or have interests in GGGI. GGGI has a Whistleblower Policy that supports the Anti-Corruption Policy, by aiming to create an environment where staff members and external persons feel safe to report any suspected integrity violations and misconduct without the fear of retaliation. Reporting of alleged integrity violations and misconduct is made to and investigated by the Deputy Director-General for allegations against non-Executive staff members and by the Chair of the Council in the case of allegations against Executive staff members. GGGI has established an online reporting mechanism that is available on GGGI's external website.

In 2017, the Deputy Director-General received 11 reports of allegations against non-Executive staff members through the whistleblower channel. Eight

reports pertained to connected incidents and were handled by one investigation which resulted in a remedial action. Three reports were closed after the preliminary inquiry determined that there was an insufficient basis to warrant further proceeding due to lack of evidence or not being within the scope of the policy. In addition, two reports received in December 2016 were closed in January 2017 following the preliminary inquiry due to lack of evidence or not being within the scope of the policy.

GGGI also has a Compliance Review Mechanism (CRM), an accountability and grievance mechanism through which external parties adversely affected by GGGI's failure to comply with its own regulations, rules, policies and procedures can bring such instances of alleged failure to the attention of GGGI. GGGI has established an online reporting mechanism that is available on GGGI's external website.

In 2017, GGGI received one request for compliance review. Following preliminary review, the case was closed as the request was related to a subject matter ineligible for treatment under the CRM, but was referred internally and handled as a procurement awards complaint.



GGGI in Jordan supporting the implementation of the National Green Growth Plan

Summary of Financial Statements

Overview

GGGI received an unqualified 2017 audited financial statement from the external auditors. The following summary of the audited financial statement provides an overview of the components affecting GGGI's financial

position in 2017. The complete audited financial statements can be found on the 2017 Annual Report website: www.report.gggi.org/2017

Operating income

In 2017, GGGI's operating core income decreased by USD 19.56 million (46%) to USD 23.16 million. The reduction is predominantly due to 1) deferral of USD 2 million of USD 5 million contribution to 2019 by the Government of Australia (DFAT), 2) reduction of USD 2 million from the USD 5 million annual contribution by the Government of Denmark, 3) one-off payment (USD 5 million) made by the State of Qatar in 2016 for 2013/14 funding agreement, 4) deferral of USD 5 million contribution from 2017 to 2018 by the Government of United Kingdom (DFID), in accordance with the contribution schedule in the signed funding agreement, 5) reduction of USD 5 million contribution in 2017 by the Government of Indonesia compared to USD 10 million paid in 2016 for 2 years, 6) non-continuity of USD 0.5 million contributions in 2017 by the Mexican Government.

The earmarked income has gradually declined to a low of USD 6.86 million in 2017. The reduction of USD 2.10 million (2017) compared to USD 8.96 million in 2016 is predominantly due to several projects ending while no new commitments (other than a phase 2 for Indonesia) were signed in 2016. New earmarked commitments were signed in 2017, but these will primarily impact revenue in 2018 and beyond. Projects that ended, or were not continued, in 2017 were 1) non-continuity of Norway earmarked funding for Ethiopia 2) completion of Korea International Cooperation Agency (KOICA) grant, 3) completion of Swiss Agency for Development and Cooperation (SDC) grant.

Operating expenditures

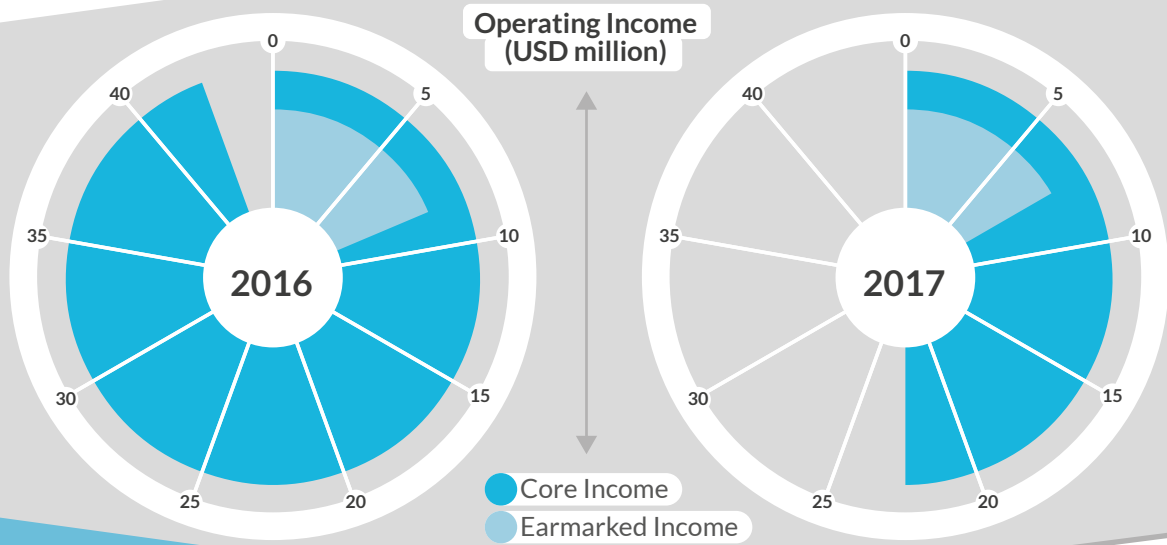
GGGI's operating expenses of USD 44.11 million in 2017 has increased by USD 3.13 million (8%) over 2016 (USD 40.98 million) and remained well within the approved budget of USD 56.88 million for 2017. The net increase (USD 3.13 million) was predominantly driven by 1) Increase in personnel costs (USD 5.49 million) and reduction in out-sourcing (USD 3.60 million) to implement 49 regular projects and an additional 13 projects from envelope¹ funding under the WPB 2017-2018, 2) at

least 6 (USD 2.05 million) of the 49 projects is an expansion of GGGI's program to 6 new countries, Costa Rica, Kiribati, Hungary, Lao PDR, Myanmar and Mozambique.

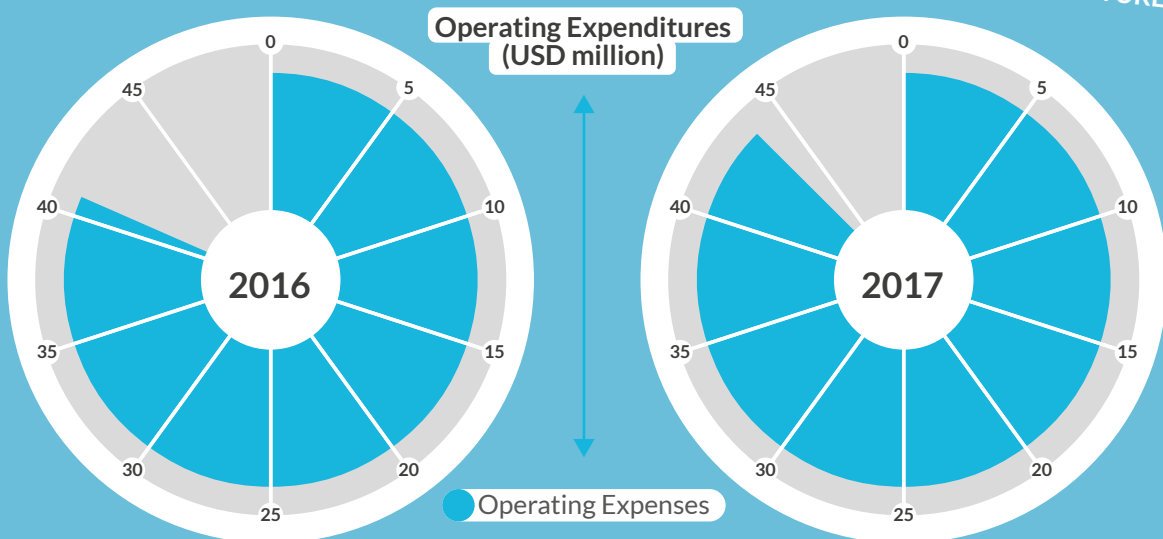
Over the years, GGGI has managed to improve its expenditure over budget rate from 67% in 2013 to 78% in 2017 despite the increase in the size of the approved budget from USD 48.74 million in 2013 to USD 56.88 million in 2017.

¹ Envelope funding refers to the additional USD 4.5 million approved by Council for bankable projects in 2017.

OPERATING INCOME



OPERATING EXPENDITURES



Treasury Management

GGGI's treasury management is governed by the mandate provided by Council to the Director-General through its financial regulations.

Investment Management

Since early 2015, to ensure the stability of cashflow, GGGI has established the working capital guidelines, investment guidelines, investment criteria and the establishment of investment committee. The overarching objectives of GGGI's investment management activities are to ensure

- GGGI holds sufficient liquid resources to enable it to meet all probable cash flow needs to meet its normal and predictable obligations;
- The principal value of GGGI's liquid resources is adequately protected while GGGI is able to earn a stable and reasonable return;
- The currency composition of GGGI's resources is managed to reduce the risk of currency translation adjustments that could lead to adverse changes in GGGI's available resources; and

- In evaluating the risks arising from GGGI's investment management activities, the possible non-financial consequences (reputational) will be considered in addition to the potential financial losses

During 2017, GGGI invested up to a maximum USD 34 million (including USD 10 million working capital reserves) and managed to increase its investments returns to USD 0.35 million, an increase of USD 0.12 million (53%) from USD 0.23 million reported in 2016.

Reserves

In the 5th session of the Council, a discussion paper was presented to demonstrate the business need for a working capital reserve to reduce GGGI's vulnerability to variability in the timing of the core contributions, maintain program continuity, reduce reputational risk and safeguard the organization as going concern by ensuring continuity of operations in the event of short-term liquidity problems pending receipt of non-restricted contributions.

Retained Surplus

At the ninth session of the Council in September 2016, GGGI presented a forecast of retained surplus of USD 24 million to finance the budget deficit of WPB 2017-2018. However, for the year ended 31 December 2016, GGGI's retained surplus increased to USD 34.83 million, an increase of USD 10.83 million against the forecast. The increase was primarily due to 1) USD 5 million contribution from Qatar not projected for in 2016 2) deferral of USD 3.54 million legal commitments; and 3) a lower 2016 operating expenditure versus projections.

Conclusion

Overall, GGGI's financial position remains stable for 2017 and on course to fully fund its 2017/18 biennial work program approved by the Council in October

Foreign Exchange Management

GGGI uses USD dollars as its functional and reporting currency. GGGI receives its contributions in various currencies and to minimize the foreign exchange exposure, GGGI converts its contributions receivable in other currencies immediately to USD upon the receipt of contribution.

For the year ended 31 December 2017, GGGI recorded a net foreign exchange gain of USD 0.03 million compared to a net gain of USD 0.02 million in 2016.

Consequent to this paper and the establishment of working capital reserves guidelines, the Council approved a 2015 and 2016 biennium budget with USD 10 million to be set-aside for reserves. The first USD 5 million was set-aside at the beginning of 2015 and for the year ended 31 December 2016 GGGI has successfully set-aside a further USD 5 million to make up the projected USD 10 million reserves. GGGI has retained the same level of reserves throughout 2017. The present level of reserves is sufficient to cover at least 2.5 months of GGGI's current operational expenditure.

Council approved WPB 2017-2018 that aims to spend the retained surplus down to zero during the biennium. For the year ended 31 December 2017, after accounting for the USD 13.51 million operating deficit, the retained surplus reduced to USD 21.31 million. This reduction in the retained surplus is largely in line with the projection presented to the Council at the beginning of the biennium to fund the level of activities approved by the Council for the 2017 and 2018 work program that is considerably greater than the expected level of contributions for this period. Current projections are that the retained surplus will indeed be spend down during 2018.

2016. To balance the reduction in core operational income, GGGI has undertaken significant efforts in 2017 to ramp up its earmarked resource mobilization.



Greening GGGI

In 2017, GGGI made great strides in its environmental sustainability efforts by implementing a series of initiatives and projects to strengthen and systematize green office operations. Examples include the development of GGGI Green Office Guide and Green Event Guide, the launch of awareness-raising campaigns such as Green Office Month, and the procurement of eco-friendly

office supplies. GGGI also began installing air quality assessment systems in its offices to collect data that can be used for reporting and evaluation to help improve working environment. To promote green events, tips and carbon footprint offset options for flights were made available to all participants of Global Green Growth Week (GGGWeek2017), held in Addis Ababa, Ethiopia.

Air Travel and Facility Operations

Since 2013, GGGI has made efforts to measure and manage its environmental footprint, especially its carbon emissions. Using the Greenhouse Gas Protocol

methodology, GGGI assessed its environmental footprint in 2017 by measuring carbon emissions from Air Travel and Facility Operations in offices across the organization.

2017 Carbon Emission Overview		2017	2016	2015	2014	2013	
Air Travel*	Total Carbon Emission from Air Travel (tCO ₂)	1,611	1,407	705	669	793	
	Total Number of Flights	1,620	1,254	1,544	1,595	1,409	
	Class of travel	PREMIUM	380	306	737	497	583
		ECONOMY	1,240	948	812	1,098	816
Facilities**	Total Carbon Emission from Facilities (tCO ₂)	312	221	239	189	N/A	
	Emission from Seoul HQ	208	206	168	149	N/A	
	Emission from Songdo Office	37	15	71	40	N/A	
	Emission from Country Offices	66	N/A	N/A	N/A	N/A	
Total Carbon Emission (tCO ₂)		1,923	1,628	944	858	793	
Total Number of Personnel		348	327	260	N/A	N/A	
Total Carbon Emission Per Capita (tCO ₂) - Air Travel		4.63	4.30	2.71	N/A	N/A	
Total Carbon Emission Per Capita (tCO ₂) - Facilities		0.90	0.68	0.92	N/A	N/A	
Total Carbon Emission Per Capita (tCO ₂)		5.53	4.98	3.63	N/A	N/A	

*Data combined for all offices

**Data based on utility bills for gas and electricity collected from each office; in offices where such bills are not available, estimate was calculated based on the number of building occupants.

A total of 1,923 tons of CO₂ (tCO₂) was emitted by GGGI in 2017, with Air Travel and Facility Operations emissions amounting to 1,611 and 312 tons,

respectively. As indicated in the above table GGGI began measuring carbon emissions in all its offices around the world this year.

Per Capita Carbon Emissions

When comparing results from the UNEP's Greening the Blue Report 2017, GGGI has maintained a tCO₂/per personnel emission average similar to or well below the average emitted by other United Nations organizations in 2016.

Comparison with UN Entities	Per Capita Emissions (tCO ₂ /personnel)	Share of Total Emissions (%)		
		Air Travel	Facilities	Other Travel
GGGI (2017)	5.53	85	15	-
UNFCCC (2016)	6.35	96	1	3
UNOPS (2016)	4.52	52	19	29
UNHQ (2016)	4.59	51	1	48
World Bank (2016)	13.77	66	2	32
UN System Overall (2016)	7.18	42	12	46

Paper Consumption (Seoul HQ)

Thanks in part to an increased awareness and responsible printing behaviors practiced, Seoul HQ has been experiencing a downward trend in paper consumption since 2014, showing a 12.1% decrease

in paper consumption in 2017 compared to 2016. It is also worth noting that in 2017, Seoul HQ started using recycled papers for all its printing needs.

Printing Paper Consumption (Seoul HQ)								
2017		2016		2015		2014		
Number of Sheets Used		Number of Sheets Used		Number of Sheets Used		Number of Sheets Used		
A4	A3	A4	A3	A4	A3	A4	A3	
330,000	4,500	352,500	16,500	455,000	7,500	522,500	10,500	
Total Paper Usage (# of sheets used)		339,000		385,500		470,000		543,500

Looking Ahead

GGGI will continue to make efforts to reduce its environmental impact by measuring and monitoring carbon emissions and promoting environmentally sustainable office operations. Moving forward, a greater focus will be placed on driving an organization-wide cooperation for green operations by strengthening communications and encouraging collaboration across

all offices. All GGGI offices have made pledges to undertake specific initiatives in 2018 to go green in their respective locations. Examples of their commitments include minimizing energy use, holding greener events, improving waste management systems, using less paper, implementing community outreach programs, and prioritizing green procurement.



Annex 1

Corporate Results Framework 2015-2020

The Corporate Results Framework approved by the GGGI Council in November, 2015 is presented below.

IMPACT LEVEL	GGGI Member countries move toward a model of green growth that simultaneously achieves poverty reduction, social inclusion, environmental sustainability, and economic growth		
Indicators	<p>Economic growth: GDP growth (annual %)</p> <p>Poverty reduction: % of population living below \$1.25 per-day</p> <p>Social inclusion: Gender Inequality Index score</p> <p>Climate change: Total GHG emissions per capita (including due to land-use changes)</p> <p>Green cities: % of population exposed to PM2.5 levels exceeding recommended levels</p>	<p>Energy: % of total electricity production from renewable sources</p> <p>Land-use: Forest area as a % of total land area</p> <p>Water: % of total internal renewable freshwater resources extracted</p> <p>Adaptation: Global adaptation index score</p> <p>Environmental policies: Environmental performance index score</p>	
OUTCOME LEVEL	1. Strengthened national, sub-national, local green growth planning, financing, and institutional frameworks	2. Increased green investment flows	
Indicators	<p>1.1 Number of green growth policies adopted by governments with GGGI's support</p> <p>Target (2015): 17 Target (2016): 25*</p>	<p>2.1 Total volume of financing catalyzed with GGGI support (disaggregated by public and private)</p> <p>Target (2015): US \$0 Target (2016): US \$18 Target (2020): US \$30 (Source: Strategic Plan)</p>	
	<p>1.2 Extend to which green growth is integrated into government policies and likely to lead transformational change</p>	<p>2.1 Number of instances where Member countries successfully gain new access to financing sources (eg. Green Climate Fund) with GGGI support</p> <p>Target (2015): US \$0 Target (2016): US \$18</p>	
	<p>1.3 Proportion of policies supported by GGGI that address three or more elements of green growth, namely economic growth, environmental sustainability, poverty reduction and social inclusion</p>	<p>2.3 Proportion of all investments supported by GGGI that address three or more elements of green growth, namely economic growth, environmental sustainability, poverty reduction and social inclusion</p>	
OUTPUT LEVEL	1. Demand-driven technical advisory, knowledge development, and private sector solutions offered on the ground for pro-poor green growth interventions	2. Inclusive green growth plans, strategies and investment plans are converted into implementable actions	
Indicators	<p>1.1 Number of advisory outputs* that inform the development of government green growth policies (eg. studies, analytical tools, strategies, plans and roadmaps.)</p> <p>Target (2015): 33 Target (2016): 36*</p>	<p>2.1 Number of advisory outputs* that inform decisions on green growth investment (eg. investment proposals, bankable projects, financing mechanisms.)</p> <p>Target (2015): 12 Target (2016): 19 Target (2020): 30 bankable projects designed (Source: Strategic Plan)</p>	
	<p>1.2/ 2.2/ 3.2 Outputs are developed in a way that seek to simultaneously address economic growth, environmental sustainability, poverty reduction and social inclusion.</p> <p>Target (2015): GGGI safeguard assessments and identification of opportunities to address PRSI are piloted in 5 countries and agreed recommendations implemented.</p> <p>Target (2016): Issues related to safeguards and opportunities to achieve PRSI are adequately identified and addressed in all new projects before approved for implementation.</p>		
	6. Professionalism of the organization ensured		
	<p>6.1 % of core budget allocated to Member LDCs</p> <p>Baseline (2014): 14% Target (2020): 42% (Source: Strategic Plan)</p>	<p>6.3 Increase in GGGI core and earmarked funding</p> <p>Baseline (2014): US \$29.8m in core funding and US \$ 12.1m in earmarked funding Target (2020): US \$40m in core and US \$40m in earmarked funding (Source: Strategic Plan)</p>	
	<p>6.2 % of core budget allocated to Member LDCs and MICs combined</p> <p>Baseline (2014): 57% Target (2020): 87% (Source: Strategic Plan)</p>		
Note:	Some targets are derived from the logical frameworks of in-country and global projects and are based on the best available information at the time of preparing this Work Program and Budget. These logical frameworks may be subject to periodic revisions in response to changing circumstances.		

3. Improved multi-directional knowledge sharing and learning between South-South and South-North-South countries on green growth			
	3.1 Proportion of people participating in GGGI capacity development activities that gain improved knowledge and skills (disaggregated by men and women). Target (2015): 70% Target (2016): 70%		
	3.2 Number of green growth policies adopted or investments made that benefited from experiences and lessons from other countries		
	3.3 Number of countries where GGGI projects helped leaders to more effectively advocate for green growth by providing examples of success		
3. Support provided in creating an enabling environment for public and private sector investment green growth	4. Global institutional relationships, partnerships, and knowledge networks formed and leveraged	5. GGGI membership expanded	
3.1 Number of outputs* that aim to improve the enabling environment for green growth investments (eg. derisking instruments, supporting countries to gain access to new sources of financing) Target (2015): 6 Target (2016): 6	4.1 Proportion of capacity development activities that share experiences and lessons from gggi countries Target (2015): 39% Target (2016): 41%	5.1 Number of new countries joining GGGI as members Target (2015): 2 (source: Strategic Plan)	
	4.2 Number of projects where country needs are being met though partnerships brokered by GGGI Target (2015): 8 Target (2016): 4"		
6.4 Unqualified annual GGGI audit reports	6.5 Effective and timely communication of results Target (annual): GGGI Annual Report outlining progress against WPB and Corporate Results Framework is published by no later than end of June each year"	6.6 % of core budget spent on management and administration Baseline (2014): 22% Target (2020): 17% (source: Strategic Plan)	
		6.7 % of core budget spent on non-programmatic activities Baseline (2014): 45% Target (2020): 30%	
As a result, the final targets reported each year through GGGI's Annual Report may vary slightly from the ones presented here. To ensure full transparency, any variations to target and the reasons for them will be disclosed as part of the Annual Report.			

Annex 2

Refreshed Corporate Results Framework 2015-2020

IMPACT LEVEL	GGGI partner countries move toward a model of green growth that simultaneously achieves poverty reduction, social inclusion, environmental sustainability, and economic growth	
STRATEGIC OUTCOMES (SOS)	SO1 GHG emission reduction: GHG emissions reduction from BAU (MtCO ₂ e)	<p>This indicator measures the reduction of anthropogenic CO₂-equivalent emissions (CO₂-e) below business-as-usual (reference) level in a target year. Equivalent CO₂ (CO₂-e) is the concentration of CO₂ that would cause the same amount of radiative forcing as a given mixture of CO₂ and other greenhouse gases.</p> <p>Proposed basis for setting targets: Latest national and sectoral reduction targets available from government strategy/policy documents, reduction projections based on current/upcoming policies by reputed entities, as well as Nationally Determined Contributions, Biennial Update Reports, Biennial Reports, and national communications submitted to the UNFCCC.</p>
	SO2 Creation of green jobs: Number of green jobs created (in millions)	<p>This indicator refers to change in the number of full-time jobs (FTE) in a target year compared to base year value resulting from the green economy transition. The scope includes new jobs created (including from the formalization of informal sectors: e.g. informal waste-picking transformed into a recycling business) and existing jobs that are "greened" (e.g. as a result of moving from coal mining to renewable energy related work). Additional green jobs created over the base year are included. Current definitions by the ILO(2016) and UNEP (2008) are used to define the scope of this indicator. Green jobs are jobs that "contribute to preserve or restore the environment, be they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency" (ILO, 2016). Green jobs include decent jobs with "work in agriculture, industry, services and administration that contribute to preserving or restoring the quality of the environment" (UNEP, 2008).</p> <p>Proposed basis for setting targets: Government targets, or reputable projections based on major methodologies, (such as inventories and surveys, employment factors, input-output analysis and computational general equilibrium methods).</p>
	SO3 Increased access to sustainable services: 3.1 Access to clean affordable energy: Number of people who gained access to electricity (millions) 3.2 Access to improved sanitation: Number of people who who gained access to improved sanitation (millions) 3.3 Access to sustainable waste management: Number of people who who gained access to waste management services (millions) 3.4 Access to sustainable public transport: Number of people who who gained access to public transport (millions)	<p>This indicator measures the change in the total number of people (in millions) gaining access to the following four sustainable services.</p> <p>Proposed basis for setting targets: Government targets in relevant SDGs.</p> <p><i>Access to clean affordable energy</i> refers to change in the national-level access to cleaner forms of energy sources in a target year compared to the base year value. The main indicator is access to electricity. Sub-indicators for this outcome are access to renewable electricity and access to clean fuels and technology for cooking.</p> <p><i>Access to improved sanitation</i> refers to change in access to improved sanitation facilities in a target year compared to the base year. Improved sanitation facilities refer to facilities that "are likely to ensure hygienic separation of human excreta from human contact. They include flush/pour flush (to piped sewer system, septic tank, pit latrine), ventilated improved pit latrine, pit latrine with slab, and composting toilet" (WHO/UNICEF).</p> <p><i>Access to sustainable waste management</i> refers to change in the access to solid waste management collection services in a target year compared to the base year. The scope is limited to urban areas.</p> <p><i>Access to sustainable public transport</i> refers to the change in the access to public transport services in a target year compared to the base year in urban areas or the cities. Public transport services are shared passenger-transport services used by the general public that operate in fixed routes and often at regular times, and include city buses, trolleybuses, trams, rapid transit (subway, metro etc.), passenger trains and ferries. Public transportation services can be operated by government or by private corporations. Private taxis are not included.</p>
	SO4 Improved air quality: Number of days above 'orange' Air Quality Index (in major cities, days)	<p>This indicator measures the improvement in the outdoor air pollution level in major urban areas or cities. Days above 'orange' Air Quality Index (AQI), calculated according to US Environmental Protection Agency and based on concentration of major pollutants, is used as indicator. Where AQI estimates are currently not available, 24-hour mean of PM_{2.5} above 35.5 µg/m³ is used as substitute to determine days above 'Orange' AQI level ('Orange' AQI corresponds to a 24-hour mean of PM_{2.5} in the range 35.5 - 55.4 µg/m³).</p> <p>Proposed basis for setting targets: the government target or standard for air quality.</p>
	SO5 Adequate supply of ecosystem services ensured: Area of deforestation avoided and/or reforested (million-ha)	<p>This indicator measures the area of deforestation avoided and/or re-forested in a target year compared to the base year. As a key supplier of number of terrestrial ecosystem services (and its close links to livelihoods in many developing nations), forests are used as the pragmatic proxy for providing adequate supply of ecosystem services. Ecosystem services range from providing necessities such as food, clean water and clean air, to regulating climate, diseases, and flood. Ensuring an adequate supply of ecosystem services requires that degraded ecosystems be restored and loss of intact ecosystems be prevented.</p> <p>Proposed basis for setting targets: Government targets and projections by reputable entities based on current/upcoming policies etc.</p>
	SO6 Enhanced adaptation to climate change: Number of people supported to cope with climate change (millions)	<p>The indicator measures the change in the number of people supported to cope with climate change related impacts in a target year compared to the base year. Support to cope with climate change related impacts includes adaptation measures in all economic sectors covering populations exposed to adverse impacts of climate change. Adverse impacts of climate change result from climate variability and extremes, and include droughts, floods, storm surge, heat waves, sea level rise etc. Examples of populations supported could include populations covered by early warning systems, farmers equipped with climate smart agriculture practices, populations covered by improved flood protection/prevention measures, and population covered with climate insurance etc.</p> <p>Proposed basis for setting targets: Government adaptation plans and targets could be basis for setting targets.</p>

IMPACT LEVEL	GGGI partner countries move toward a model of green growth that simultaneously achieves poverty reduction, social inclusion, environmental sustainability, and economic growth				
INTERMEDIATE OUTCOMES (IOS)	1. Strengthened national, sub-national, local green growth planning, financing, and institutional frameworks	2. Increased green investment flows			
Indicators	<p>1.1 Number of green growth policies adopted by governments with GGGI's support</p> <p>Target(2015):17 Target(2016):25 Target (2017): 1 Target (2018): 38</p>	<p>2.1 Total volume of financing catalyzed with GGGI support (disaggregated by public and private)</p> <p>Target (2015): US\$0 Target(2016):US\$18m Target(2017):US\$64m¹ Target (2018): US\$100m¹</p>		<p>3.1 Proportion of people participating in GGGI capacity development activities that gain improved knowledge and skills (disaggregated by men and women).</p> <p>Target(2015):70%(average) Target(2016):70%(average) Target(2017):70%(average) Target(2018):70%(average)</p>	
	<p>1.2 Extent to which green growth is integrated into government policies and likely to lead to transformational change</p>	<p>2.2 Number of instances where Member countries successfully gain new access to financing sources (eg: Green Climate Fund) with GGGI support.</p> <p>Target (2015):0 Target (2016):1 Target (2017):42 Target (2018):42</p>		<p>3.2 Number of green growth policies adopted or investments made that benefited from experiences and lessons from other countries</p>	
	<p>1.3 Proportion of policies supported by GGGI that address three or more elements of green growth, namely economic growth, environmental sustainability, poverty reduction and social inclusion</p>	<p>2.3 Proportion of all investments supported by GGGI that address three or more elements of green growth, namely economic growth, environmental sustainability, poverty reduction and social inclusion</p>		<p>3.3 Number of countries where GGGI projects helped leaders to more effectively advocate for green growth by providing examples of success.</p>	
OUTPUT LEVEL	1. Demand-driven technical advisory, knowledge development, and private sector solutions offered on the ground for pro-poor green growth interventions	2. Inclusive green growth plans, strategies and investment plans are converted into implementable actions	3. Support provided in creating an enabling environment for public and private sector investment in green growth	4. Global institutional relationships, partnerships, and knowledge networks formed and leveraged.	5. GGGI membership expanded
Indicators	<p>1.1 Number of advisory outputs* that inform the development of government green growth policies. (* Eg: studies, analytical tools, strategies, plans and roadmaps.)</p> <p>Target(2015):33 Target(2016):36 Target(2017):33 Target(2018):58</p>	<p>2.1 Number of advisory outputs* that inform decisions on green growth investment. (* Eg: investment proposals, bankable projects, financing mechanisms.)</p> <p>Target(2015):12 Target(2016):19 Target(2017):12 Target(2018):48</p>	<p>3.1 Number of outputs* that aim to improve the enabling environment for green growth investments (* Eg: derisking instruments, supporting countries to gain access to new sources of financing)</p> <p>Target (2015):6 Target (2016):6 Target (2017):6 Target (2018): 14</p>	<p>4.1 Proportion of capacity development activities that share experiences and lessons from GGGI countries.</p> <p>Target (2015): 39% (average) Target (2016): 41% (average) Target (2017): 55% (average) Target (2018): 55% (average)</p>	<p>5.1 Number of new countries joining GGGI as members</p> <p>Target (2015): 2 (Source: Strategic Plan)</p>
	<p>1.2 / 2.2 / 3.2 Outputs are developed in a way that seek to simultaneously address economic growth, environmental sustainability, poverty reduction and social inclusion.</p> <p>Target (2015): GGGI safeguard assessments and identification of opportunities to address PRSI are piloted in 5 countries and agreed recommendations implemented. Target (2016): Issues related to safeguards and opportunities to achieve PRSI are adequately identified and addressed in all new projects before being approved for implementation. Target (2017-18): Issues related to safeguards and opportunities to achieve PRSI are adequately identified and addressed in all new projects before being approved for implementation.</p>	<p>4.2 Number of projects where country needs are being met through partnerships brokered by GGGI.</p> <p>Target (2015):8 Target (2016):4 Target (2017):5 Target (2018):6</p>			

IMPACT LEVEL	GGGI partner countries move toward a model of green growth that simultaneously achieves poverty reduction, social inclusion, environmental sustainability, and economic growth				
Indicators	6. Professionalism of the organization ensured				
	<p>6.1 % of core budget allocated to Member LDCs</p> <p>Baseline (2014): 14% Target (2020): 42% (Source: Strategic Plan)</p> <p>6.2 % of core budget allocated to member LDCs and MICs combined</p> <p>Baseline (2014): 57% Target (2020): 87% (Source: Strategic Plan)</p>	<p>6.3 Increase in GGGI core and earmarked funding</p> <p>Baseline (2014): US\$29.8m in core funding and US\$12.1m in earmarked funding Target (2020): US\$30m in core and US\$20m in earmarked funding. (Source: Strategic Plan)³</p>	<p>6.4 Unqualified annual GGGI audit reports</p>	<p>6.5 Effective and timely communication of results</p> <p>Target (annual): GGGI Annual Report outlining progress against WPB and Corporate Results Framework is published by no later than end of June each year</p>	<p>6.6 % of core budget spent on management and administration</p> <p>Baseline (2014): 22% Target (2020): 17% (Source: Strategic Plan)</p> <p>6.7 % of core budget spent on non-programmatic activities</p> <p>Baseline (2014): 45% Target (2020): 30%</p>
<p>Note:: Where technically feasible to do so, targets have been included based on the logframes of in-country and global projects. These are based on the best available information at the time of preparing the Refreshed Strategic Plan. Logframes may be subject to periodic revisions in response to changing circumstances over the course of the strategic planning timeframe. As a result, reporting on the Corporate Results Framework in GGGI's Annual Report may vary slightly from the information presented here due to changes in country conditions or funding arrangements, among others. For example, earmarked funding for the Ethiopia program has at August 2017, not yet been secured as expected. To ensure transparency, any significant variations in planned results and the reasons for them will be disclosed in the Annual Report. All indicators presented here, regardless of whether they include targets here or not, will be reported on in GGGI's Annual Report.</p> <p>¹ At the time of revision of this document GGGI results have exceeded the targets on this indicator. Since the installation of the Green Investment Services team, the pipeline of projects, instruments and national financing vehicles has grown rapidly. Therefore the targets in 2017 and 2018 increase substantially from the original targets set for 2015 and 2016.</p> <p>² 2017 and 2018 targets for the number of instances of successful access to financing were previously set as 'tbd' (to be decided). In the interim it has been possible to establish targets due to the development of a pipeline of projects.</p> <p>³ The resource mobilization target has been revised downward compared to the original target of US\$40mn core and US\$40mn earmarked. This has been agreed in consultation with Members in order to chart a more sustainable rate of growth for GGGI.</p>					

Annex 3

List of Project Results Reports

The following 49 projects were implemented as part of WPB 2017-2018. A project level results report has been developed for each of these projects and is available on the online GGGI Annual Report 2017 website – <http://www.report.gggi.org/2017>

In-Country		Title of project
Africa		
1	Ethiopia	Accelerating Green Growth in Ethiopia
2	Mozambique	Scaling up Pro-Poor Renewable Energy in Mozambique
3	Rwanda	Climate Resilient Green Cities
4	Rwanda	Technical Support to the Rwanda National Fund for Environment and Climate Change (FONERWA) Facility
5	Senegal	Green Growth Pathways in Senegal
6	Uganda	Unleashing the potential of Uganda's economy through green growth
Asia and the Pacific		
7	Cambodia	Green Urban Development Program - Phase II
8	Cambodia	Policy Alignment for Green Growth
9	Cambodia	Kepong Solar Development Project
10	China	China Global and Regional Knowledge Sharing
11	Fiji	Supporting the Implementation of the Green Growth Framework for Fiji – Phase II
12	India	Green growth through INDC
13	India	Water Conservation Fund for Solar Irrigation Pumps
14	Indonesia	Phase II of the Indonesia Green Growth Program
15	Kiribati	Green and Climate Resilient Island Development
16	Lao PDR	National and Sub-national planning, financing and budgeting for Green Growth
17	Mongolia	Mongolia Transition to Green Development - Phase II
18	Mongolia	GCF Readiness Program for Mongolia
19	Myanmar	Implementation of the INDC
20	Nepal	Implementation of the Nationally Determined Contribution of Nepal
21	Pacific Region	Pacific Regional Project for Green Growth
22	Philippines	Climate Resilient Green Growth
23	Philippines	Mainstreaming Green Growth in Development Planning
24	Philippines	Support to the Operationalization of the People's Survival Fund
25	Thailand	Accelerating Implementation of Thailand's Nationally Determined Contribution
26	Thailand	The Thai Auto Parts Supply Chain Development through Energy Efficiency Program

Asia and the Pacific		
27	Vanuatu	GCF Readiness Program for Vanuatu
28	Vanuatu	Mobilizing Finance for Green Energy Projects in Vanuatu
29	Viet Nam	Enhanced Policy for Increased Green Finance in Viet Nam
30	Viet Nam	Scaling up Biomass Waste-to-Energy in Viet Nam
31	Viet Nam	Viet Nam Urban Green Growth Action - Phase II
Latin America		
32	Colombia	Policy and Investment Development to Advance Colombia's Long-Term Green Growth Objectives
33	Costa Rica	Capital enhancement for ecosystem services through the Environmental Bank Foundation
34	Mexico	State of Sonora - Sub National Green growth planning and implementation
35	Mexico	Improving Public Transportation Systems in Mexico
36	Peru	Implementation Phase of Peru's National Eco-Efficiency Strategy
37	Peru	Peru National Green Growth Strategy
North Africa and Middle East		
38	Jordan	Implementation Support for the National Green Growth Plan of Jordan
39	Morocco	Green Cities and Territories
40	United Arab Emirates	UAE Green Growth Initiative
Global	Title of project	
41	BMZ GreenInvest	
42	Development of GHGs Monitoring, Reporting and Verification	
43	Green Growth Performance Measurement	
44	Green Growth and Win-Win Strategies for Sustainable Climate Action	
45	Global and Regional Knowledge Sharing	
46	Global National Financing Vehicles	
47	Hungary-Balkan regional multi donor trust fund	
48	NDC Collaborative	
49	Research and Analysis	



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