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Final Report

Joint Donor Review of the Global Green Growth Institute

October 2015

Executive summary

A Joint Donor Review (JDR) of the Global Green Growth Institute (GGGI) was undertaken in October 2015 with the overall objective to assess the progress in the operationalization of the GGGI's Strategic Plan 2015-2020 and assess the value of the GGGI in the global context. The overall conclusion is that the GGGI is making good progress towards addressing the recommendations of the previous JDR and creating value for its partners, has developed and started implementing a valid Strategic Plan that shows strong potential for the systemic achievement of economic and human development results in the coming years, and has undertaken an organizational restructuring and strengthening of its organizational systems to overcome past challenges.

The Strategic Plan is a major achievement and provides good guidance on the development of the GGGI and its work. The operationalization of the Strategic Plan is progressing well and has had a major impact on how the GGGI is doing business. The focus of the Strategic Plan on "delivering as one" is highly relevant and the GGGI's organizational structure has been adjusted accordingly. The integration of the GGGI services is underway and the process is both important and challenging. Projects will be supported as part of an integrated value chain approach, which facilitates integration and linkages internally in the organization and externally. Many positive change processes are taking place within the GGGI under the guidance of a committed and strong management team. It will require committed management efforts, overview and communication to optimize the implementation, understanding and ownership of these change processes across the organization. It will remain a challenge to create an organization that can deliver with equal quality through the whole spectrum of the value chain.

At the strategic and management level, the GGGI demonstrates a good understanding of the concept of green growth, which will have to be fully internalized by its staff and guide the GGGI's priorities and work planning. The GGGI is delivering services along its value chain and produces recognized value for its partners, but the role and relevance of the GGGI is not always clear to its partners. There are good prospects for sustainability, scale up and replication of the green growth solutions supported by the GGGI, but also a need for ensuring quality assurance and screening for scale-up and replication potential. Bearing in mind that the overarching aim of the GGGI is to generate, document and share evidence-based learning and policy innovation for green growth, the GGGI should focus on strategically important activities contributing to this purpose.

Important results are being achieved through the country programs. Higher-level impacts in terms of inclusive green growth are foreseen, but take time to materialize. Developments in the GGGI country activities move towards facilitating investments and implementation. Country Program Frameworks and project logframes are important tools to guide the GGGI's country engagements and their development facilitates the translation of the Strategic Plan into action.

The GGGI country engagements are focused on close partnerships and good collaboration with different government agencies placed in more or less strategic positions in the national context. The private sector engagement in the GGGI operations is uneven, but it is in the process of being strengthened at country level. Capacity building of partners is an important aspect of the work and capacity building targets should therefore be further defined for the different GGGI interventions.

The GGGI engagements at different levels in countries and with different thematic focus areas are important and the different activities can inform each other. The GGGI shall ensure that the scientific and technical analyses also address the issue of application in practice. The provision of services should aim at addressing green growth in comprehensive ways.

The GGGI capacity in knowledge services has increased and the Knowledge Solutions Division (KSD) provides valuable support to the GGGI work at country and global levels. The capacity of the KSD is however stretched and the ongoing process of prioritizing and focusing the areas for delivery of knowledge services is needed. Knowledge products, methods and models see a varying degree of use and applicability. Hence, the planned creation of an overview and consolidation of quality knowledge products is important.

Networking and organizational relationships are of significant importance to the GGGI and there is an ongoing process of strategizing and focusing on the most relevant and important partnerships. Creating an overview and reporting on developments in the organizational relationships are needed. The facilitation of South-South sharing of green growth knowledge and experiences is of crucial importance. The Green Investment Services under the KSD is central to the value chain of the GGGI, their capacity has been strengthened, and they are increasingly advising on enabling policies for private sector-led green growth and project development and financing.

The development of safeguards and mainstreaming of social inclusion and poverty reduction have progressed well and have increasingly become an integrated part of the work of the GGGI. Safeguards and mainstreaming of social inclusion and poverty reduction require capacity building and further development of guidelines and strategies addressing different aspects of social inclusion.

The GGGI has significantly improved its administrative systems and financial stability since the second JDR. Hence, the GGGI management should ideally be granted greater flexibility in the implementation of its approved work plans and budgets to enhance its efficiency. The GGGI has developed a capable and qualified team, but certain competency gaps still exist and should be addressed. This is particularly pertinent given the planned expansion of the GGGI's operations.

The GGGI's results-based management and monitoring has improved significantly with systems in place and implementation in progress. The GGGI reporting should aim at presenting clear overviews of progress towards achieving the expected results and impacts.

The GGGI is a complex organization working at multiple levels with multiple approaches, themes and partners. The GGGI should therefore continue improving its communications to ensure easy access to its knowledge products and documentation.

Acknowledgements

The Joint Donor Review (JDR) team would like to express its sincere thanks to all parties met during the review mission for their willingness to openly and constructively discuss the progress of the GGGI's current work, achievements, challenges, and future plans.

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List of Acronyms

3GF	Global Green Growth Forum
CCC	Philippines Climate Change Commission
COP21	21st Conference of the Parties to the UNFCCC
CPF	Country Program Framework
CRF	Corporate Results Framework
ERP	Enterprise Resource Planning system
GCF	Green Climate Fund
GGGI	Global Green Growth Institute
GGP&I	Green Growth Planning and Implementation
GIS	Green Investment Services
HCA	Host Country Agreement
IIED	International Institute for Environment and Development
JDR	Joint Donor Review
KSD	Knowledge Solutions Division
IPCC	Intergovernmental Panel on Climate Change
LDC	Least Developed Country
M&A	Management and Administration
MIC	Middle Income Country
MPSC	Management and Program Sub-Committee
SDG	Sustainable Development Goal
SPC	Strategy, Policy and Communication
UAE	United Arab Emirates
UNFCCC	United Nations Framework Convention on Climate Change
UNOPS	United Nations Office for Project Services
WPB	Work Plan and Budget

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1. Introduction

1.1. Background

The Global Green Growth Institute (GGGI) was initially established as a Korean non-profit foundation in 2010 with an aim to generate evidence-based learning and policy innovation to illuminate practical country-led and industry-led green growth opportunities. Hence, the GGGI should contribute to a shift from quantity-oriented, fossil-fuel dependent growth to quality-oriented, sustainable growth with an emphasis on the use of renewable energy sources. Following the United Nations Conference on Sustainable Development (Rio+20) in 2012, the GGGI was transformed into an international organization headquartered in Seoul. The 18 founding member countries of the GGGI include: Australia, Cambodia, Costa Rica, Denmark, Ethiopia, Guyana, Indonesia, Kiribati, Mexico, Norway, Papa New Guinea, Paraguay, the Philippines, Qatar, the Republic of Korea, the United Arab Emirates, the United Kingdom, and Vietnam. Subsequently, also Fiji, Jordan, Mongolia, Rwanda, Senegal, and Vanuatu have become member countries of the GGGI.

The Assembly is the supreme organ of the GGGI. It is composed of the member countries and has met annually since the establishment of the GGGI as an international organization. The GGGI's executive organ is the Council, which directs the GGGI's work under the guidance of the Assembly and with the support of a Management and Program Sub-Committee (MPSC). The Council has up to 15 elected members, five from contributing member countries (donors), five from non-contributing member countries, five experts or non-state actors as well as the host country (permanent member) and the GGGI Director-General (without voting right). The current Chair of the Council is the former President of Indonesia, Susilo Bambang Yudhoyono. The previous Chair of the Council (2012-2014) was the former and current Prime Minister of Denmark, Lars Løkke Rasmussen. The newly elected Chair of the Intergovernmental Panel on Climate Change (IPCC), Hoesung Lee, is one of the current expert members of the GGGI Council.

All four countries having actively taken part in this third Joint Donor Review (JDR) through their participation in the review meetings in Seoul and prior country visits, *i.e.* Australia, Denmark, Norway, and the Republic of Korea, are also currently represented in the Assembly, the Council, and the MPSC. The same group of countries conducted a second JDR in September 2013, while an inception review was conducted jointly by Australia and Denmark in 2011.

1.2 Objective and methodology of the third Joint Donor Review

The objective of the third JDR was to assess the progress in the operationalization of the GGGI's Strategic Plan 2015-2020 across the GGGI's programs and operations, including results-based management and in-country delivery, and to provide recommendations on its further implementation, as well as to assess the value of the GGGI's role and work in the global context, not least in relation to the United Nations Framework Convention on Climate Change (UNFCCC), Green Climate Fund (GCF), and 2030 Sustainable Development Agenda (Sustainable Development Goals (SDG) and Financing for Development Agenda). Please refer to the terms of reference in Annex 1 for further details.

The JDR team took stock of the GGGI's strategic and organizational development since the second JDR in September 2013, while primarily focusing on those issues that the team found most

crucial for the successful operationalization and implementation of the Strategic Plan. Thus, the team engaged in an open and constructive dialogue with the GGGI staff on key topics to assess the current processes, results, ambitions, and challenges. Prior studies commissioned by Denmark and Norway were consulted, while it was not the intention of this review to duplicate or reassess prior findings. For example, the JDR only addressed administrative and financial matters to the extent that these were considered important for the successful implementation of the Strategic Plan, since a separate value-for-money audit addressing these aspects was conducted earlier this year.

Due to the dual purpose of donor concertation and dialogue with the GGGI, the JDR mission program comprised both internal team meetings and consultations with the GGGI staff in the headquarters in Seoul between 5 and 14 October 2015. Prior to the meetings in Seoul, some JDR team members conducted country visits to engage with the GGGI staff, partners, and project stakeholders in Abu Dhabi on 29 September 2015 and in the Philippines (Manila and San Vicente) from 1 to 3 October 2015. The JDR team composition and list of people met during the review mission are enclosed in Annexes 2 and 3, respectively.

Furthermore, the JDR benefitted from valuable inputs from Germany and the United Kingdom prior to the review mission and from the United Arab Emirates and the Philippines through consultations during the country visits.

2. Findings and recommendations

The following sections present the key findings and recommendations of the third JDR. They express the concerted views of the participating donor countries. The current status regarding the GGGI's follow up on the recommendations of the second JDR is reflected in the findings below and summarized in Annex 4. It should be emphasized that the JDR report is intended as an input to the GGGI management, *i.e.* guidance from the donor countries on key topics related with the GGGI's further development and work, and as a tool for the Council and Assembly to guide its strategic reflections and monitoring. Readers seeking a broader introduction to the GGGI's role and details on its knowledge products and ongoing work are referred to the GGGI webpage.

2.1 Overall conclusion

1. The overall conclusion of this third JDR is that the GGGI is making good progress towards addressing the recommendations of the second JDR and creating value for its partners, has developed and started implementing a valid Strategic Plan that shows strong potential for the systemic achievement of economic and human development results in the coming years, and has undertaken an organizational restructuring and strengthening of its organizational systems to overcome past challenges. Hence, the GGGI is proceeding in the right direction, while successfully managing the many positive change processes simultaneously will require committed efforts by the management, further human resources strengthening, and close monitoring and support by the member countries. The key recommendations of this JDR (listed in chapter 3) address the need to prioritize high-impact areas and focus on generating, documenting, and communicating results of high quality and relevance in order to positively and effectively influence global processes, including the operationalization of the UNFCCC, GCF, and 2030 Sustainable Development Agenda. These recommendations are intended to reinforce and guide processes already underway in the GGGI.

2.2 The GGGI's strategic role and value in the global context

2. At the strategic and management level, the GGGI demonstrates a good understanding of the concept of green growth, which will have to be fully internalized by its staff and guide the GGGI's priorities and work planning. The Strategic Plan recognizes the three fundamental and interrelated elements of green growth, namely economic growth, environmental sustainability, and social inclusion. It further acknowledges the desired link between green growth and poverty reduction in participating countries. Hence, the Strategic Plan provides a valid base for the GGGI's work as an international organization dedicated to supporting and promoting strong, inclusive and sustainable economic growth in developing countries and emerging economies. Accordingly, the GGGI has a strategic role to play in sharing knowledge on green growth solutions that generate inclusive economic growth with due consideration to climate change mitigation and adaptation. Likewise, the GGGI and its partners catalyze dialogue between countries from different regions and stages of economic development as well as between policy-makers, academia, and the private sector. Still, taking a comprehensive and impact-oriented approach to defining the GGGI's country program activities will require close attention during the ongoing country planning processes. In particular, the GGGI will need to translate its technical and often rather academic situation analyses into concrete proposals on growth-stimulating opportunities in the political economy context. Such analyses would enable the GGGI to provide policy advice on how to overcome identified barriers to green growth, promote an enabling environment for green investments, and address climate change in the national context. Taking such a comprehensive approach to work for green growth will require a full recognition by the GGGI staff at all levels of the fundamentally political – and in many countries developmental – nature of the GGGI's work and its policy advice. A need for strengthening the capacity of the GGGI in the field of political-economy analysis – while maintaining high standards of technical analysis – can be derived from this observation and is recognized by the Strategic Plan.

3. Bearing in mind that the overarching aim of the GGGI is to generate, document and share evidence-based learning and policy innovation for green growth, the GGGI should focus on strategically important activities contributing to this purpose. The GGGI value chain of situation analysis, strategy development, project formulation and green investment services outlined in the Strategic Plan is relevant at the country level – as long as the focus is on the partner-led, comprehensive green growth transition process in committed countries rather than isolated projects. However, the real value of the GGGI work goes beyond the immediate results at country level. The GGGI is neither a traditional development agency, nor a project preparation or fundraising facility, but rather a trusted partner and authoritative voice on green growth opportunities in developing countries and emerging economies. Hence, the GGGI's work in member countries should – in addition to being valuable to the countries in case – focus on generating and documenting new knowledge on green growth opportunities that could be replicable elsewhere and convincingly illustrate the theory of change for a green transformation of societies at different levels of economic development. This requires strong skills in developing innovative green growth solutions at country level, which are in turn documented and quality assured by experts to ensure that the resulting GGGI guidelines and best practice papers effectively present state of the art knowledge on replicable approaches to green growth.

4. The quality of the GGGI's products will depend on its ability to engage in strategic partnerships and undertake relevant work at country level, while the GGGI's value in the global context depends on its outreach and ability to catalyze knowledge sharing and provide authoritative policy advice based on best practices. The Strategic Plan outlines four

thematic priority areas that the GGGI will focus on, *i.e.* energy, green city development, land use, and water. These themes – not least the transformation of the energy sector – are highly relevant in the context of the operationalization of the UNFCCC, GCF, and 2030 Sustainable Development Agenda, which are exogenous dynamics that present unique opportunities and directions for which the GGGI must be prepared to influence. In order to do so in an effective and competent manner, the GGGI should continue prioritizing its relations with member countries as well as non-state actors (other green growth initiatives, academia, private companies, civil society) – both locally and globally, thereby ensuring the quality, applicability and innovation of its knowledge products and policy advice. The Least Developed Countries (LDC) Expansion Plan outlines the GGGI's ambition to expand its activities in LDCs. The GGGI also reaches out to emerging economies and Middle-Income Countries (MIC) that could benefit from the GGGI's expertise and advice on green growth. The Partnership and Resource Mobilization Strategy provides direction for the engagement of additional resource partners. Considering the strategic role of the GGGI in the global context and its limited resources, it is recommended that the GGGI carefully prioritizes its work areas and most influential partnerships to avoid overstretching its limited capacity. This implies limiting its country level activities to a realistic number of member countries and carefully prioritizing which partnerships, forums and events to engage in.

2.3 The GGGI's institutional development since the second JDR

5. The GGGI has significantly improved its administrative systems and financial stability since the second JDR. Hence, the GGGI management should ideally be granted greater flexibility in the implementation of its approved work plans to enhance its efficiency. The GGGI suffered from shortcomings in financial management, a lack of appropriate administrative systems, and severe financial instability in the initial years following internationalization, which resulted in a very close supervision of the GGGI by the GGGI Council in 2013 and 2014 and very limited progress of the work in many of the GGGI's country programs in 2014. The second JDR offered recommendations to improve financial stability and administrative systems. The recent value-for-money audit documented that the GGGI now has performing systems in place and that the past challenges have by and large been overcome. In addition, the GGGI management now carefully monitors progress and corporate risks on a regular basis. Hence, it will be important for the GGGI management to regain a certain level of managerial flexibility in the implementation of the approved biennial Work Plans and Budgets (WPB) to adapt to unforeseeable changes, opportunities, and cost variations – while obviously respecting the overall directions provided by the Assembly and the Council. Such flexibility would be expected to enhance the GGGI's efficiency and improve the currently low disbursement levels by reallocating excess funds to other priority activities.

6. Opportunities for the efficient management of the GGGI have improved with the implementation of the Enterprise Resource Planning administrative system. The recent introduction of the Enterprise Resource Planning (ERP) administrative system is showing early signs as a comprehensive planning, monitoring and reporting tool that has the potential to enhance and streamline the GGGI's management. However, the broad application of the ERP to the areas that are critical for achieving strategic objectives underscores the importance of its effective roll-out and maintenance. This will require determined efforts, not least regarding the planning and reporting of results against pre-established targets and budgets as discussed in section 2.7.

7. The GGGI membership is expected to gradually grow and the intention of using the GGGI governance organs for further strategic discussions is an important development.

The GGGI has an ambition to gradually expand its membership base. This is encouraged in order to broaden the GGGI's outreach and impact. Still, the pace of expansion should be determined by a realistic balance between available resources and activities. It would be particularly important to engage additional donor countries and engage major players at the international scene, *e.g.* China, as members of the GGGI. The existing member countries can ideally assist in enhancing the GGGI's outreach. Furthermore, the JDRs are considered an important instrument for engaging in regular strategic discussions between the GGGI and the contributing member countries. Likewise, strategic discussions in the Assembly and Council can serve to guide the work of the GGGI, facilitate knowledge sharing, and follow up on the JDR recommendations. With the expanded membership of the GGGI, its governance structures need to be considered carefully in order to continue ensuring good and efficient consultation and decision-making processes. The JDR notes that the GGGI's Advisory Board has been disbanded and thus encourages the GGGI to consider the most effective way to involve non-state actors to enrich strategic discussions and knowledge products. Finally, the GGGI can continue to strengthen its visibility and impact through partnerships and involvement in international events such as the COP21 in December 2015 and the 3GF Summit in April 2016 as well as through its planned Global Green Growth Week in September 2016.

8. The focus of the Strategic Plan on "delivering as one" is highly relevant and the GGGI's organizational structure has been adjusted accordingly. In practice, this will require that the Knowledge Solutions Division (KSD) is fully involved in the strategic reflections leading to the Country Program Frameworks (CPF). This is important since the GGGI's country level activities should satisfy two related aims, namely i) supporting countries in developing green growth solutions that are feasible and relevant in the national context and ii) developing and documenting innovative approaches to green growth that are replicable elsewhere and feed into the GGGI's work on guidelines and best practice papers. This implies that the KSD and Green Growth Planning and Implementation (GGP&I) should be jointly responsible for identifying relevant green growth opportunities in close dialogue with member countries and for achieving and documenting the anticipated outcomes. The GGP&I would be leading the dialogue with the national partners and ensure the inclusiveness, relevance and feasibility of the in-country work, while the KSD would offer technical expertise, including to inform downstream bankable projects, and a view to developing and documenting innovative green growth approaches of broader relevance and applicability. These two interrelated aims should ideally be reflected in common work plans and a vertical "value chain" going from successful in-country experiences (supported by the GGGI or other partners) feeding into GGGI documentation, guidelines and policy advice on replicable green growth solutions shared through partnerships and events to encourage and sustain green growth transformation in other countries and globally.

9. The GGGI has developed a capable and qualified team with many highly qualified staff members, but certain competency gaps still exist. The GGGI is addressing this issue, which is crucially important for the implementation of the Strategic Plan, since some fields of competency are not adequately covered today. This is true both at country office level in some countries and for the KSD. The completion of the ongoing mapping of the GGGI staff skills and anticipated capacity needs as well as the recruitment of qualified staff to fill the identified gaps and vacancies should be a priority. In addition, existing and new staff will require briefing on internal change processes as well as training in new systems and competences to adequately perform their duties. Slow recruitment has been a blockage, but it now appears that the GGGI is able to recruit comparatively fast. The lack of Host Country Agreements (HCA) makes it less straightforward for

the GGGI to hire in-country staff, as the lack of HCA could pose a risk for the implementation as well as staff. Hence, the use of Individual Contractor Agreements through the United Nations Office for Project Services (UNOPS) procurement is deemed to be a reasonable intermittent measure to ensure adequate GGGI staffing at the country level. Notwithstanding this, it is important that the GGGI continues its efforts to obtain HCAs with all partner countries.

10. The use of consultants can be justified for some assignments, while the role as a trusted advisor is best ensured by GGGI staff. Hence, outsourcing to consultants should be done only for well-defined tasks and studies under the supervision of GGGI staff and based upon terms of reference reflecting the different elements of green growth of relevance to the assignment. The JDR notes a positive development in the GGGI's deployment of GGP&I staff to its country representations and a strengthening of the involvement of KSD staff in the work at country level.

11. The GGGI is a complex organization working at multiple levels and with multiple approaches and themes. Communicating and managing media interventions about the GGGI is therefore a complex and demanding task. A communication strategy was developed in 2014 and much has been done in order to communicate and present the GGGI to the outside world as well as communicating internally. Work is in progress to improve the GGGI's communication of results, which is essential. Likewise, the GGGI plans to address the current shortcomings of its webpage, which should ideally serve as a well-structured entry point to the GGGI's knowledge products and provide up-to-date information on the GGGI's ongoing work, results and future plans, not least to inform existing and potential member countries. It is recommended that the GGGI continues working on improving its communications to ensure that green growth knowledge products and documentation are shared and that the GGGI webpage functions well and is kept updated.

2.4 Implementation and operationalization of the Strategic Plan

12. The Strategic Plan is a major achievement and provides good guidance on the development of the GGGI and its work. The Strategic Plan has been developed with significant participation and consultation within and outside the organization and with strong leadership and vision. The Strategic Plan is assessed to be a well-developed document giving good guidance on where and how the GGGI should develop. The Strategic Plan has helped promote a "one GGGI" approach and gives good guidance on what the GGGI can provide, which seems to respond well to the needs and requests of member countries. The Strategic Plan focuses on in-country delivery in order for the GGGI to provide relevant support and it sets the framework for the development process of the GGGI. The Strategic Plan is translated into action in the respective countries through the CPFs, project logframes, and WPBs.

13. Many positive change processes are taking place within the GGGI under the guidance of a committed and strong management team. It will require overview and communication to optimize the understanding and ownership of the changes across the organization. With the operationalization of the Strategic Plan from the end of 2014, the organization has undergone major changes. A significant number of changes relevant to achieving the Strategic Plan have been, or are in the process of being, implemented. Staff at various levels of the organization have a varying degree of understanding of where the organization is moving. The JDR also experienced that it was difficult to maintain an overview of the various change processes and their interlinkages. It is recommended that the GGGI develops an overview of the various change processes going on within the organization (describing their timing and intended goals), communicates the overview internally and to its partners, and provides regular updates to its member countries on the progress

in the implementation of these changes.

14. The operationalization of the Strategic Plan is progressing well and has had a major impact on how the GGGI does business. It is recognized that the integrated services of the GGGI at multiple levels is an important aspect of the organization, but also a management challenge that requires constant attention. The impact of the Strategic Plan includes better opportunities for getting inputs from the headquarters into countries, ensuring country impact on global work, and facilitation of further opportunities for working together and sharing knowledge across the GGGI. The Strategic Plan is being operationalized in large part through the country programs and the KSD work. The CPFs constitute a key aspect of the operationalization of the Strategic Plan. It is recognized that the GGGI as an institution needs to work at global and national levels with policies, strategies and plans and, at the same time, needs to work on translating these into concrete projects/activities at the local level. As an organization, it is not easy to span these different levels of operation, and there is a need to be mindful of this in the management and development of the organization.

15. The GGGI is delivering services along its value chain and produces recognized value for its partners. Movement towards implementation in the GGGI value chain is taking place. All in all, the GGGI is in the process of delivering important services to its partners. The value for partners is recognized and the GGGI has moved further towards implementation in its value chain, although the GGGI stops short of 'bricks and mortar' implementation. The GGGI expects that in the coming year around two thirds of its current projects will be in the right side of its value chain and ready for investment and implementation. The GGGI provides valuable support by facilitating national policies, strategies and planning on green growth and by linking these to concrete green investment opportunities. The GGGI value chain is an important and recognized approach and a 'selling point' for the GGGI services. The provision of support along the whole value chain is considered important, *i.e.* the GGGI work is assessed to be most relevant, when the support to green growth policies and planning links sector specific action to the overall green growth strategies of the country. The current approach taken by the GGGI ensures a stronger focus on moving from strategies to actual implementation of investments. Further work related to implementation and investments is planned. This is however not a quick process.

16. The GGGI provides value to its partners, but the role and relevance of the GGGI is not always clear to its partners. The unique role of the GGGI is its linkage between green growth solutions and the development and communication of knowledge about green growth. Since it appears that some partners do not fully appreciate and understand this role of the GGGI, it is not immediately clear if the GGGI communicates its role and relevance well enough to the various partners. Hence, clearer communication on this would be useful.

17. There are good prospects for sustainability, scale up and replication of the GGGI services, but also a need for further quality assurance and screening for scale-up and replication potential. The sustainability of GGGI activities is considered relatively sound and proportional with the ownership of the programs by government and other partners (including the private sector). The strong ownership by government institutions in some country programs increases the prospect of sustainability, whereas less direct ownership is seen in other country programs. With a very wide variety of activities in many different countries, the issue of scale up and replication is of significant importance. Good examples are found in the country portfolios, but there are also examples with less convincing scale up potential and unclear messages of how and what will be replicated. For example, the planned scale up of the GGGI work in the

Philippines to a large number of municipalities is very encouraging, but should be careful to take into account the lessons learnt from the first phase, *e.g.* the need to focus more on concrete green growth solutions in the local context. The GGGI work in the UAE is another example of potential replication, since the GGGI-facilitated process leading to the development of the national green growth strategy is currently being documented in guidelines that can inspire other countries interested in developing their green growth potential. Moreover, the experiences from the UAE are being shared through regional workshops. For a relative small organization like the GGGI, where its impact is intricately linked with how convincingly it can argue for replication of good examples of green growth, it is important to be clear in terms of what, how and where it can scale up and replicate, *i.e.* to undertake a critical process of assessing options for replication and scale up. This includes considering the evidence of results and impacts and what projects should be ceased if they are not achieving the objectives of the Strategic Plan. It is recommended that the GGGI ensures that its products are sufficiently quality assured, fit for purpose and specifically checked for their practical applicability and green growth impacts before they are used as models, scaled up and replicated.

18. Addressing climate change and decarbonization of growth is central to the GGGI's approach. Overall, the GGGI is committed to addressing climate change issues, including the transformation towards decarbonization of growth. This is observed more directly in some country programs than in others, but is considered of general relevance for the GGGI's work.

19. Safeguards, social inclusion and poverty reduction have increasingly become an integrated part of the GGGI's work. The GGGI has developed significantly in terms of addressing social inclusion and poverty reduction as an integrated part of green growth. The Strategic Plan ensures that poverty reduction and social inclusion is central in the GGGI's work and sets in motion the work with social inclusion, poverty reduction and safeguards in green growth. A Sustainability and Safeguards Policy has been developed with the aim of systematically considering social inclusion and poverty reduction in GGGI programs. Thus, all new projects have to undergo a sustainability and safeguards screening process that addresses the principle to "do no harm as well as the maximizing of impacts on inclusion and poverty reduction". The use of the guidelines and the screening tools has been piloted in five countries in relation with the development of their respective CPFs. This has led to major changes in how social inclusion and poverty reduction are being addressed in the GGGI country programs and to a sharpening and highlighting of these aspects in the CPFs. Two good examples of the positive impact of the use of the guidelines and screening tool include the CPF development processes in the Philippines and Ethiopia. This approach is deemed to have a positive impact on how green growth is being addressed in the various countries.

20. Safeguards and mainstreaming of social inclusion and poverty reduction requires capacity building and further development of guidelines and strategies addressing different aspects of social inclusion. The experience so far in addressing safeguards and mainstreaming social inclusion and poverty reduction in the GGGI country programs shows that it requires advice and capacity building provided by the GGGI. Collaboration with the International Institute for Environment and Development (IIED) through the Green Economy Coalition has contributed to the work on social inclusion and poverty reduction within the GGGI. Currently, the IIED is involved in further developing operational guidance for mainstreaming of these aspects into the GGGI work. Furthermore, a Gender Strategy is in the process of being developed. Anti-corruption measures are not looked into in these screening tools. Since corruption can have a major impact on development, including social inclusion and poverty reduction, opportunities to

include screening for corruption-related risks and for opportunities to apply anti-corruption measures are worth exploring further.

2.5 Progress in the GGGI work at country level

21. Developments in the GGGI country activities move towards facilitating investments and implementation. Currently, the GGGI has 32 projects spread across 19 countries. By the end of 2016, the GGGI expects to have 34 projects, including more projects addressing the right side of the value chain (investment, implementation). The partner countries are supportive of the GGGI services that assist in moving towards investments and implementation, and the JDR recognizes the importance of this progression. However, the JDR asserts that the GGGI does not transform itself into a fundraiser, development bank or project implementer, but focuses on specific projects that are linked with national green growth objectives and have a potential for informing the broader community (including the private sector) on green growth solutions.

22. The GGGI country engagements are focused on close partnerships and good collaboration with different government agencies placed in more or less strategic positions in the national government systems. Generally, the country programs demonstrate good ownership among, and collaboration with, government partners. Partnerships with governments engage with a wide range of different agencies and their nature typically varies from country to country. In some countries, several government agencies are involved. Examples of close partnerships with government agencies include the engagements in countries like the Philippines, UAE, Rwanda, and Ethiopia. In other countries, the partnerships are more focused depending on the type of in-country projects supported by the GGGI. Some partnerships are with agencies that are very centrally placed within the development planning of the respective countries; others are with less central and strategic agencies. No matter where, the GGGI seeks to ensure ownership of the products by the relevant partners. This is important and should be kept in focus with a continued attention to how the partnerships can lead to a closer and more strategic involvement with the respective governments. Close, preferably embedded, partnerships with host government agencies and coordination with other green growth initiatives in the countries are crucial for the success and relevance of the GGGI country programs.

23. The GGGI invests in the capacity building of partners. Hence, capacity building targets should be defined for the different GGGI interventions. The GGGI activities seek to build in-country capacity to address green growth, and the GGGI recognizes that building strategic capacities of the respective partners should be a key feature of the various partnerships. There appears to be diverse experiences and approaches to this end. Some of the project logframes have capacity building targets, while others do not. The improved capacity of partners related to green growth strategizing, planning and implementation should be a clear and well-defined target related to the GGGI interventions in order to ensure the country partners ability to effectively implement green growth strategies and projects. Possible indicators could include the capacity of partner agencies and number of partner staff having strengthened their ability to address and sustain interventions related to green growth. Capacity targets could ideally be incorporated into the regular membership reporting.

24. The private sector engagement in the GGGI operations is uneven, but is in the process of being strengthened at country level. The GGGI country programs have had rather limited direct engagement with private sector partners. This is recognized as a shortcoming, which is being addressed in the planned work. The GGGI country programs in Thailand and the UAE are positive examples of the value of engaging with the private sector. A stronger involvement of the

private sector in the country activities is being pursued by the GGGI. This will focus on improving policy and regulatory frameworks for private sector-led green growth and identifying private sector relevant investment and bankable projects. The JDR stresses the need for better involvement of the private sector in all parts of the value chain and with a focus on applying this in the actual countries. Although the GGGI primarily sees itself as a trusted advisor to the government, this role needs to be balanced with an active role in seeking private sector involvement in all steps of the value chain. This should also include consideration of how non-state actor seats on the GGGI governance bodies could best utilize private sector representation.

25. Some important results are being achieved through the country programs. Higher-level impacts in terms of inclusive green growth are foreseen, but take time to materialize. The provision of services should aim at addressing green growth in comprehensive ways. The country programs are very diverse with different thematic focus areas and different levels of implementation. Important results are achieved and impacts created, whereas higher-level impacts in terms of green growth transformation still need to materialize. Although results are generated, it appears that these results are not so well communicated and, thus, not so easy to assess. Some programs are addressing green growth in a holistic way; others are very specific and technical and only address few aspects of green growth. While this might be relevant as an initial involvement, the added value of the GGGI is not when it focuses on very specific thematic and technical aspects of delivery, but rather when it provides services that inform a comprehensive implementation of green growth. The planned development of the GGGI country programs and integrated approach to CPF development aims at addressing green growth in a holistic manner. This approach is supported by the JDR.

26. The GGGI engagements at different levels in countries and with different thematic focus areas are important and the different activities can inform each other. Generally, it is deemed relevant and important that the GGGI addresses green growth at different levels in specific countries. Some country programs are largely focused on local level implementation, while others address processes at the national level. The JDR believes that a mix of approaches and levels of interventions is important, so that the GGGI delivers its services along the full value chain and at different levels of implementation in ways ensuring that the activities at one level informs the activities at other levels.

27. While technical and scientific approaches can be valuable, the GGGI shall ensure that the scientific and technical analyses also address green growth solutions in practice. The GGGI work, in a range of countries, initially had a strong technical and scientific focus. Scientific approaches have been promoted, while the political economy context and aspects related to transformative growth have to a lesser extent been part of the analyses. Hence, the applicability of the technical and scientific work has not always been ensured. For example, the first phase of GGGI work in the Philippines focused on rather technical and scientific work addressing climate change resilience, while it included only limited analyses of transformational growth, energy, political economy, and green growth opportunities for practical application and replication. However, the second phase of work in the Philippines now appears to be addressing some of these aspects by taking a more comprehensive approach to green growth. Likewise, the GGGI work in Mongolia has developed from an initial focus on very technical studies to including important aspects of political economy and practical application in the current work. The in-country transfer of knowledge can also be a challenge, when the GGGI delivers highly technical inputs that are hard to comprehend by the local partners. <u>It is recommended that the GGGI ensures that its analytical and facilitation work addresses green growth in a comprehensive way, which include</u>

transformational growth, energy, climate change, political economy, and practical application of solutions.

28. Country Program Frameworks are important tools to guide the GGGI country engagements and their development facilitates the translation of the Strategic Plan into action. CPFs have been developed initially for four countries, with three more countries in the process. The CPF development has proven to be time and resource consuming, but worthwhile – efficiencies are expected as GGGI staff grow in familiarity with developing them. The initial CPFs are of good quality and constitute a needed strategic framework for the country work. The CPFs go through a consultation process with key partners in countries and they serve as a key tool to delineate the GGGI work in countries. In this way, they are translating the Strategic Plan into action. The involvement of the partners during the process of developing CPFs enhances their ownership. The CPFs are helpful in describing why and how the GGGI supported activities are contributing to green growth and in describing the involvement of partners. The development of CPFs has constituted an opportunity for identifying more strategic in-country work and has been used to change or adjust the country engagements.

29. The integration of the GGGI services is underway and the process is both important and challenging. **The value chain approach to service delivery should ensure that projects are supported as part of an integrated approach.** Integration of the GGGI services in-country is increasingly being undertaken. It is regarded as important, but is still not all smooth, and there are challenges in its rolling out within the different programs and at different levels of the organization. There are varying degrees of understanding and interpretation of how integration into "one GGGI" should be undertaken. With the varied portfolio of the GGGI, a risk exists that the project/investment support is detached from such a strategic approach. It is recommended that the GGGI focuses its services on delivery within the full value chain and provides innovative green investment services to projects that are linked with strategic support to inclusive green growth policies, strategies and plans in member countries, thereby contributing to the global pipeline of robust, finance-ready green growth projects.

2.6 Progress in the GGGI work with knowledge management and sharing

30. The GGGI capacity in knowledge services has increased and the KSD provides valuable support to the GGGI programs at country and global levels. The KSD provides organization-wide knowledge services directly to the country programs as well as globally to an international audience and partners. Currently, it is decided that around 70% of KSD resources should go into supporting country programs; and that around 30% should go to supporting global knowledge services. The JDR team finds this balance reasonable. The capacity of the KSD has been developed significantly in recent years with some positions filled only recently.

31. Still, the capacity of the KSD is stretched and the ongoing process of prioritizing and focusing the areas for delivery of knowledge services is needed. With significant and varied demands for delivering specialist knowledge, there are clearly challenges, and the GGGI recognizes that there is still a need for significant skills development internally in the KSD and for matching skills with requests. With green growth being a complex topic, the ongoing process of prioritizing what kind of in-house capacities are needed, what needs to be the focus of the KSD services, and what should be outsourced are important considerations. The JDR believes that the strength of the GGGI is to deliver advice within strategic, comprehensive and applied aspects of green growth in different parts of the value chain and in line with the thematic focus areas of the GGGI. The capacity of the KSD in these areas should be prioritized, while leaving more specialist knowledge

and specialist research to specialized consultants and researchers. Moreover, the KSD support to country programs should generally take the form of strategic inputs over a well-defined period of time, rather than year-long, very intensive use of the KSD capacities in specialized country programs. There continues to be a significant need for using consultants and outsourcing in a range of areas to deliver in-country and globally. The utilization of consultancy contracts has changed significantly towards using limited, specialist consultancy inputs tailored to specific needs rather than wholesale large consultancy contracts for multiple needs. This is an important development fully supported by the JDR.

32. Knowledge products, methods and models see a varying degree of use and applicability. **An overview and consolidation of green growth knowledge products are needed.** The GGGI has delivered a number of knowledge products, including a range of modeling and methodology work, and some of the products were developed in consideration of the feedback loops between in-country and global generation of knowledge. That said, it is not easy to get an overview of what products are being used and by whom, which products are under development, and which products are regarded as redundant today. The KSD is in the process of creating such an overview where the experiences gained in the work so far is being documented. This process is considered a worthwhile effort by the JDR. This will also allow for assessing the value added from these various knowledge products, as well as how they contribute to scale up and replication. The models and methods include Green Growth Readiness Assessments, Green Transport Assessment Methodology, Energy Planning and Modeling, Climate Resilient Green Growth, and possibly a range of other tools. Similar to the prioritization of the KSD capacities, it is also relevant to prioritize, consolidate and possibly improve the various green growth knowledge products to ensure that they are quality, state of the art products fit for global sharing and use at country level.

33. Networking and institutional relationships are of significant importance to the GGGI and there is an on going process of strategizing and focusing on the most relevant and important partnerships. Creating an overview and reporting on developments in the institutional relationships are needed. The GGGI collaborates and networks with a wide range of international and regional organizations at the global level as well as in relation with the country work. Previously, the GGGI has entered into a long list of partnerships with more than 150 different organizations. Most of these partnerships are however not active and the GGGI is in the process of assessing and focusing partnerships with international organizations relevant to green growth. In relation herewith, an outreach strategy is under development with the aim of crystalizing and focusing on active relationships and partnerships that are of key relevance to promoting inclusive green growth. Internally in the GGGI, focal points for managing the relations with key partners will be appointed. Among the more important relationships are the Inclusive Green Growth Partnership between the GGGI, Regional Development Banks and World Bank, which will be launched during the COP21 in Paris, the relationship with the GCF, the participation in the Green Growth Knowledge Platform, the relationship with the World Business Council for Sustainable Development as well as a range of other important relationships, where it is not completely clear how active they are. <u>It is recommended that the GGGI in its development of an outreach strategy creates an overview of its most important institutional relationships (describing the purpose and expected value added of these relationships and the division of labor) and reports regularly to the member countries on the developments in such relationships.</u>

34. The facilitation of South-South sharing of green growth knowledge and experiences is of crucial importance for the GGGI. The GGGI's facilitation of South-South exchanges of

green growth knowledge and experiences is a very important part of the work of the GGGI. Working with major and developing economies is of significant importance in the value of such South-South partnerships. For this to work in practice, the facilitation done by the GGGI must be based on the provision of quality knowledge products and strong facilitation skills. In such sharing arrangements, the interest of using the GGGI services is not based on the GGGI projects in the respective countries but on the state of the art professional knowledge of the GGGI. The JDR finds that the GGGI's facilitation of South-South sharing of green growth knowledge and experiences is of central importance for the future relevance of the GGGI. Particularly, the JDR supports the GGGI's intention to facilitate greater knowledge sharing through expanding the role of strategic dialogues in governance meetings.

35. The Green Investment Services under the KSD is central to the work of the GGGI, their capacity has been strengthened, and they are increasingly delivering on enabling policies for private sector-led green growth and project development and financing. The Green Investment Services (GIS) takes the projects to the stage of being ready for implementation, but is not involved in their implementation. In general, the GIS sees the lack of financially ready or viable projects for financing as a major blockage to the implementation of green growth; therefore, they focus on developing such projects. The GIS focus on creating bankable projects that are financial source-neutral, that is, they aim to build sufficient financial incentives into projects that encourage implementation financing from any source. Particularly in the context of global climate finance efforts, for example the UNFCCC objective to mobilize USD 100 billion, the operationalization of the GCF, and the Financing for Development Agenda, it is crucial that the GIS can work proficiently with different financing instruments and financing from both the public and private sectors. The GGGI recognizes the need for more engagement with the private sector and the GIS staffing capacity has been significantly strengthened recently. The GIS is developing and working with a range of tools for project design and preparation, for financing of National Appropriate Mitigation Action, and for De-risking Climate and Infrastructure Finance. Although the definition of bankable projects is still being discussed, it is clear that bankability is crucial in the services that the GGGI as a whole delivers. The GIS also works with enabling policies and building good business models. These activities are expected to contribute to the global pipeline of robust, finance-ready green growth projects.

2.7 The GGGI's results framework, monitoring and reporting

36. The GGGI's results-based management and monitoring has improved significantly with systems in place and implementation in progress. Previously, the GGGI had a rather poor results framework with limited systematic monitoring of progress. Now there are major achievements in the development of a Corporate Results Framework (CRF), WPB and logframes for all projects. Progress against project logframes is monitored and reported at monthly review meetings. Internal evaluations of projects are planned for next year. GGGI staff has been trained in using logframes and theory of change. The development of logframes for all projects have only been undertaken within the last year, but it is assessed as a major positive achievement for monitoring delivery and managing for results. The actual translation of the systems into effective and continued monitoring and results-based management in the respective country programs and projects as well as reporting on their progress still need to be seen. Currently, every project with a separate funding source in countries has its own logframe. Moreover, deliveries from the GGP&I and the KSD are following separate logframes. It is acknowledged that this can constitute a challenge for the integration and "one GGGI approach". Integrated logframes are expected in the future. Furthermore, the GGGI is improving the establishment, monitoring and reporting on links

between output targets, results and impacts.

37. The GGGI reporting has improved, systems are in place, but generally reporting has to be improved in terms of presenting overviews of progress and progress in achieving the expected results and impacts. The GGGI systems for measuring progress and for supporting reporting on results are largely in place; however, reporting on results is still relatively weak. Progress reporting in the GGGI is not always giving the best picture of progress, and it appears that under and over reporting as well as mixing achieved and planned progress is taking place. Moreover, the reporting tends not to give the best overview of progress. The JDR believes that future reporting from the GGGI should be better in communicating progress, results and impacts to the member countries as well as the general public. It is expected that, with the systems in place, this should be achievable through staff training. It is recognized that measuring and reporting on results and impacts is difficult and that there are major challenges concerning attribution. The increased use of theory of change in the CPFs to explain and indicate attribution of impacts will further increase the prospects of reporting on results and impact. Delivery in terms of the change processes in the GGGI is also an important aspect that needs to be included in future reporting. Finally, it is recognized that different donors may currently require different types of reporting. The GGGI is seeking to address this challenge, so that one common and unified reporting can be provided. The JDR supports this. The need for future JDRs can be informed in part by donor satisfaction of the progress of the GGGI in improving its reporting and communication of results.

38. Risks and assumptions are identified, but are not systematically monitored throughout the organization. Risks are identified at the corporate level and these risks are monitored regularly. However, risks and assumptions at the project/country level are only identified at a limited scale and they are not systematically monitored. Key risks highlighted by the JDR include the risks associated with financial sustainability, with matching staffing capacity with requests and focus areas of the GGGI, and with managing the multiple level and multi-faceted change processes of the organization. The risks at the country level are related with the possible lack of capacity and ownership among partners, inadequate application of green growth models and approaches in practice, and unidentified barriers of political economic nature.

3. List of recommendations resulting from the third JDR

The following recommendations resulting from the third JDR concern the operationalization and implementation of the Strategic Plan within the coming two years:

Recommendation 1: Considering the strategic role of the GGGI in the global context and its limited resources, it is recommended that the GGGI carefully prioritizes its work areas and most influential partnerships to avoid overstretching its limited capacity. This implies limiting its country level activities to a realistic number of member countries and carefully prioritizing which partnerships, forums and events to engage in.

Recommendation 2: It is recommended that the GGGI focuses its services on delivery within the full value chain and provides innovative green investment services to projects that are linked with strategic support to inclusive green growth policies, strategies and plans in member countries, thereby contributing to the global pipeline of robust, finance-ready green growth projects.

Recommendation 3: It is recommended that the GGGI ensures that its analytical and facilitation work addresses green growth in a comprehensive way, which include transformational growth, energy, climate change, political economy, and practical application of solutions.

Recommendation 4: It is recommended that the GGGI ensures that its products are sufficiently quality assured, fit for purpose and specifically checked for their practical applicability and green growth impacts before they are used as models, scaled up and replicated.

Recommendation 5: It is recommended that the GGGI continues working on improving its communications to ensure that green growth knowledge products and documentation are shared and that the GGGI webpage functions well and is kept updated.

Recommendation 6: It is recommended that the GGGI in its development of an outreach strategy creates an overview of its most important institutional relationships (describing the purpose and expected value added of these relationships and the division of labor) and reports regularly to the member countries on the developments in such relationships.

Recommendation 7: It is recommended that the GGGI develops an overview of the various change processes going on within the organization (describing their timing and intended goals), communicates the overview internally and to its partners, and provides regular updates to its member countries on the progress in the implementation of these changes.

Annex 1 – Terms of Reference

Final Version
27 May 2015

TERMS OF REFERENCE

Third Joint Donor Review of the Global Green Growth Institute (GGGI)

September-October 2015

1. Background

The Global Green Growth Institute (GGGI) is an international organization dedicated to supporting and promoting strong, inclusive and sustainable economic growth in developing countries and emerging economies. Established in 2010 as a Korean non-profit organization and subsequently transformed into an international organization in 2012, at the Rio+20 United Nations Conference on Sustainable Development, GGGI supports accelerating the transition toward a new model of economic growth – green growth. In contrast to conventional development models that rely on the unsustainable depletion and destruction of natural resources, green growth is a coordinated advancement of economic growth, environmental sustainability, poverty reduction and social inclusion driven by the sustainable development and use of global resources.

GGGI is an interdisciplinary, multi-stakeholder organization that believes economic growth and environmental sustainability are not merely compatible objectives; their integration is essential for the future of humankind.

In pursuit of these goals, GGGI works with developing and emerging countries to design and deliver programs and services that demonstrate new pathways to pro-poor economic growth. GGGI provides tools to help build institutional capacity and develop green growth policy, strengthen peer learning and knowledge sharing, and engage private investors and public donors.

GGGI supports stakeholders through two complementary and integrated work streams – Green Growth Planning & Implementation (GGP&I) and Knowledge Solutions Division (KSD) – that deliver comprehensive products and services designed to assist in developing, financing and mainstreaming green growth in national economic development plans.

GGGI develops and delivers its global products and services in partnership with government bodies, international organizations, academic institutions and the private sector. GGGI's comprehensive network and governance structure facilitates a multi-directional and multi-sectorial sharing of knowledge between South-South and South-North-South countries, while gathering global actors with the potential to and set drive the international agenda on green growth.

GGGI has membership base in twenty-four member countries representing a broad range of economies and regions. It is funded by a number of international core donors, including Australia, Denmark, Norway, Qatar, Republic of Korea, United Arab Emirates and the United Kingdom, and through earmarked contributions from Germany and Switzerland.

In agreement with GGGI, Australia and Denmark launched a joint inception review of GGGI in November 2011. The review focused mainly on the institutional challenges facing GGGI as a new institution. The review suggested that Australia and Denmark would work towards a joint review in early 2013 to focus more on programmatic aspects.

The second Joint Donor Review (JDR) was conducted by Australia, Denmark, Norway, and Republic of Korea in September 2013. The review assessed the progress of the GGP&I programs in developing countries and provided recommendations on preparing the next Strategic Plan 2015-2020, based on lessons learned. The JDR team, divided into two, visited Cambodia and Ethiopia and discussed GGGI's programs with staff, consultants, and key partners, including relevant ministries, civil society organizations, UN agencies, and other in-country donor agencies. The team held a debriefing session in Seoul and a series of discussions with the GGGI HQ staff. The JDR team suggested the next joint review to take place no later than 2015.

This Terms of Reference (ToR) specify the objective, scope and expected outputs of the third JDR. The review will be conducted jointly by Australia, Denmark, Norway, Republic of Korea and the United Kingdom. GGGI staff members will participate as resource persons.

2. Objective

The objective of the third JDR is to assess the progress in operationalization of the GGGI's Strategic Plan 2015-2020 across the GGGI's programs and operations, including results-based management and in-country delivery, and to provide recommendations on its further implementation, and to assess the value of GGGI's role and work in the global context, not least in relation with the ongoing UNFCCC and post-2015 processes.

While it may still be too early to expect concrete results of GGGI's new strategy, the level of its appropriation and adequacy will be assessed, offering an opportunity to discuss the best ways of implementing the new strategy. The third JDR will focus on GGGI's work during the reporting period from September 2013 to September 2015, *i.e.* the time after the second JDR in September 2013.

3. Output

The specific outputs are:

- A brief mission preparation note outlining the methodology of the review (including review questions and processes), team composition, countries to be visited review and timeline.
- A preliminary report summarizing the key findings and recommendations. This report will be presented to the GGGI at a debriefing meeting in Seoul at the end of the mission.
- A final report, which among others addresses issues raised at the debriefing meeting or in the GGGI management response.

4. Scope of work and activities

The review will be guided by the OECD-DAC evaluation criteria: Relevance, Efficiency, Effectiveness, Impact, and Sustainability. Based on background information from the GGGI, including the Strategic Plan 2015-2020, the Work Program and Budget and country program documentation, the work of the review team will include, but not necessarily be limited to (in no prioritized order):

A. Follow-up on the second JDR recommendations

The team will assess the progress of the GGGI's implementation of the recommendations from the second JDR in September 2013.

B. Implementation of the Strategic Plan 2015-2020

Based on the objectives and actions of the Strategic Plan 2015-2020, the team will review the early stages of implementation and provide its inputs to its further implementation, with a particular focus on GGGI's country programs.

This will include assessing:

- GGGI's integrated delivery model (addressing both the delivery model of GGP&I and KSD and the relation between HQ and country activities), including a particular emphasis on GGGI's role at country level in terms of collaboration with national institutions, local ownership, relation with other similar initiatives, etc.
- The "value chain" approach at country level from diagnosis, impact assessment, strategy development and planning, to the development of bankable projects or other outputs, including how the climate agenda and low-carbon/climate-resilient development is taken into account.
- The translation of the Strategic Plan 2015-2020 into Country Planning Frameworks.
- Approaches to engaging with non-state actors, including the private sector, and official or public stakeholders.
- Relation with the Green Climate Fund.
- Approaches to ensuring GGGI's financial sustainability.
- The implementation of social safeguards, in particular gender equality, respect for human rights and fair distribution, as well as mainstreaming of poverty reduction and environmental and social safeguards.
- Systems for results based management and reporting to donors.
- The internal development of the organization, in particular the in-house competency of GGGI staff at HQ level versus country level and whether the GGGI has the right competency in the right place.

5. Team, methodology, program, inputs and timing

The review team will comprise the following donor representatives:

- Torben Nilsson (team leader), Technical Advisory Service, Ministry of Foreign Affairs, Denmark
- Jesper Segelcke Thomsen, Development Policy and Global Cooperation, Ministry of Foreign Affairs, Denmark
- John Anakotta, Department of Foreign Affairs and Trade, Australia
- Kristine Stubberud, Department for Climate, Energy and Environment, Norwegian Agency for Development Cooperation (NORAD), Norway
- Sulim Hwang, Korea International Cooperation Agency (KOICA), Republic of Korea
- Representatives (TBC), Ministry of Foreign Affairs, Republic of Korea
- Representative (TBC), Department for International Development (DFID), United Kingdom

Denmark will act as team leader throughout the JDR process from its planning to the reporting. The team members will refer to the team leader. The approach will be inclusive in order to ensure that the review conclusions and recommendations express the concerted views of the participating donor representatives.

The donor representatives will be assisted by external consultants holding expertise within green growth, green economy, development aid, social inclusion, institutional development, and strategy processes. The external consultants will contribute to the report writing.

Representatives of the concerned non-donor GGGI member countries will be invited to contribute during country visits and could possibly be involved also in discussions at HQ level.

Representatives from other non-donor GGGI member countries are also invited to participate in country visits to facilitate shared learning.

Methodology:

The main element of the JDR will be the dialogue with the GGGI HQ in Seoul from Monday 5 to Friday 9 October 2015 (both days included).

The meetings in Seoul will be preceded by country visits to review and provide inputs on how the Strategic Plan is being reflected in the country programs. The JDR team expects to split to visit different countries. The country visits will tentatively comprise visits to the GGGI Regional Office in Abu Dhabi on 29 September 2015 (Denmark and other interested participants), which will also allow for preparatory discussions with the United Arab Emirates, the Philippines on 1-3 October 2015 (Denmark and other interested parties), and Rwanda in September 2015 (United Kingdom and other interested parties). In addition, the ongoing reviews of the Ethiopia and Indonesia programs could be valuable inputs to the JDR. Preparatory visits to private sector partners could also be envisaged.

The review team will work closely with GGGI staff in the Headquarters and in partner countries. A Mission Preparation Note will be prepared in September 2015 by the team leader based on inputs from the team members, and agreed between the donor countries participating in the review.

Tentative program of activities:

- Review GGGI documentation and other relevant literature from home base.
- Tele- or video-conferences between the team and GGGI to discuss and plan.
- Country visits as described above in September-early October 2015.
- The review team meets at GGGI HQ for meetings with GGGI HQ staff and team discussions from 5-9 October 2015.
- The draft report will be prepared by the JDR team in Seoul from 10-13 October 2015 and presented to the GGGI at a debriefing session on Wednesday 14 October 2015.
- The review report will be finalized by 31 October 2015 reflecting the discussions at the debriefing meeting and following a written consultation on the draft version.

Inputs:

The involved donor agencies, any participating non-donor country, and the GGGI will cover their own costs for working time, travel and accommodation, etc., and will be responsible for making their own travel arrangements.

The GGGI will facilitate the team's meetings in partner countries, as well as hotel reservations, local transportation and other logistical matters.

To facilitate preparation, GGGI will forward relevant documents to the team in due time before the mission. Ms. Hyeon-Sook Shim will act as resource person and coordinate GGGI's input to the review.

6. Key background documents

- Second Joint Donor Review of the Global Green Growth Institute (GGGI). Final Review Note. 23 October 2013
- GGGI Strategic Plan 2015-2020
- Work program and Budget 2014 and 2015-2016
- Program documents and progress reports from all partner countries and on KSD activities.
- Guidelines for developing a Country Planning Framework (CPF)
- Additional documents, as appropriate

Annex 2 – Composition of the JDR team

The JDR team was composed of the following representatives from Australia, Denmark, Norway, and the Republic of Korea, while Germany and the United Kingdom provided inputs to the reflections of the JDR team prior to the review mission and the Philippines and the United Arab Emirates shared their views during the country visits.

Australia
John Anakotta, Department of Foreign Affairs and Trade (participated in Seoul and in the country visit to the Philippines)

Denmark
Torben Nilsson (JDR team leader), Technical Advisory Services, Ministry of Foreign Affairs (participated throughout the JDR)
Jesper Segelcke Thomsen, Development Policy and Global Cooperation, Ministry of Foreign Affairs (participated in Seoul and in the country visit to the Philippines)
Martin Enghoff, External Consultant (participated throughout the JDR)
Merete Villum Pedersen, Technical Advisory Services, Ministry of Foreign Affairs (provided inputs prior to the review mission)

Norway
Kristine Stubberud, Department for Climate, Energy and Environment, Norwegian Agency for Development Cooperation (participated in Seoul)
John Erik Prydz, Department for Climate Change, Ministry of Climate and Environment

The Republic of Korea
Yi Seul, Global Green Growth Division, Ministry of Foreign Affairs (participated in Seoul and in the country visit to the Philippines)
Moon JiYoung, Global Green Growth Division, Ministry of Foreign Affairs (participated in Seoul and in the country visit to the Philippines)
Jooil Lee, Global Green Growth Division, Ministry of Foreign Affairs (participated in Manila)
Sulim Hwang, Climate Change and Environment Team, Korea International Cooperation Agency (participated in some meetings in Seoul)
Kim Yo-sup, Embassy of the Republic of Korea, United Arab Emirates (participated in the country visit to the UAE)

Annex 3 – List of people met during the review mission

GGGI Headquarters
Yvo de Boer, Director-General

Robert Dawson, Deputy Director-General, Management & Administration (M&A)
Sivabalan Muthusamy, Head, Finance Services, M&A
Akiko Murai, Head, Human Resources
Bradford Philips, Head, Organization & Delivery Unit, M&A
Cristina Traini, Senior Monitoring and Reporting Adviser, M&A
Warin Nitipaisalkul, Monitoring, Evaluation and Reporting, M&A
Sven-Eric Hargeskog, Procurement & Consultants

Per Bertilsson, Assistant Director-General, GGP&I
Imran Habib Ahmad, Country Portfolio Director, GGP&I
Chanho Park, Country Portfolio Director, GGP&I
Margaret Kim, Program Integration Officer, GGP&I
Inhee Chung, Senior Sustainability and Safeguards Specialist, GGP&I

Mahua Acharya, Assistant Director-General, KSD
Myung Kyoon Lee, Head, Knowledge Service, KSD
Orestes Anastasia, Principal Knowledge Manager, Knowledge Services, KSD
Jason Lee, Principal Economist, Capacity Development, KSD
Miles Austin, Head, GIS, KSD

Hyoeun Jenny Kim, Director of Strategy, Policy & Communication (SPC)
Jahan-zeb Chowdhury, Head, Strategy & Donor Relations, SPC (via telephone)
Troels Dalgaard, Senior Resource Mobilization Specialist, SPC
James Sheppard, Head, Governance and Outreach, SPC
Hyeon-Sook Shim, Senior Manager, Office of the Chair and President, SPC
Michael Sullivan, Head, Media & Communications, SPC
Daniel Munoz-Smith, Publications
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Helena Gaddi, Implementation and Oversight Division Chief, CCC
Vice-Mayor and technical staff, San Vicente Municipality, Palawan Island, the Philippines
Stakeholders involved in the San Vicente Ecotown Project as representatives of local farmers, fishermen, women, youth, private sector, poor and indigenous people.

Annex 4 – Follow up on the recommendations of the second JDR

***Recommendation 1**: The Council should assist GGGI Secretariat in coming up with a solution to the unstable financial situation of GGGI. The solution should not only address the immediate challenges but also support the establishment of a long-term viable financing model.*

Current status: The financial situation of the GGGI is more stable today than in 2013-2014. The GGGI has developed a Partnership and Resource Mobilization Strategy and set a goal of reaching USD 40 million in core funding and USD 40 million in earmarked contributions by 2020. There is still some way to go before reaching these targets and eventually the GGGI's stability will rely heavily on the continued support of its founding members and the GGGI's ability to diversify and expand its sources of funding. As the numbers of donors expand, reforms to the GGGI's governance arrangements to maximize donor incentives may be worth considering. It will also be important to maintain a balance between core and earmarked funding and to ensure that earmarked contributions effectively support the operationalization of the Strategic Plan and do not divert the attention of the GGGI from its agreed strategies and priorities.

***Recommendation 2:** Throughout the coming year, the operations of GGGI are likely to be characterized by continued reform of the organization and procedures and by the development and operationalization of the new strategy. During this period, GGGI should limit its expansion into new countries and focus on consolidation and professionalization. The scale and speed of expansion, including the staff profile, should be in line with the overall strategy and prioritization of effort and lessons learned. Consolidation at headquarters on key functions on all three pillars is particularly important.*

Current status: The GGGI has undergone an organizational restructuring reflecting its new Strategic Plan and the desire to enhance the interaction between its Green Growth Planning and Implementation (GGP&I) at country level and the work of its Knowledge Solutions Division (KSD). A mapping of the staff skills required to operationalize the new Strategic Plan as well as recruitments to match the identified needs are ongoing.

***Recommendation 3:** In the future, GGGI identity and strategy have to be owned and consistently interpreted in the same way by all staff, management and governing bodies no matter their physical location and daily tasks. For this to materialize, the upcoming strategy process should be forward-looking, realistic, and inclusive, and built on lessons learnt and the origins of GGGI, as well as input from new staff and external stakeholders. The strategy should be sufficiently detailed and well though through to guide the scoping of GGGI projects—without becoming a straightjacket. Internal communication and transparency will be key to its success. GGGI needs to have a clear understanding and definition of its core and non-core activities.*

Current status: The Strategic Plan resulted from an extensive consultative process and provides valid reflections on the concept of green growth and directions for the GGGI's work. The successful implementation of the new Strategic Plan should be catalyzed by further internal guidance from the management to the GGGI staff on the implications of the new Strategic Plan, which are well understood by the GGGI management team, but not necessarily by all staff members, as well as capacity development through recruitments and training in fields that were not sufficiently considered by the GGGI in the past.

***Recommendation 4:** The core of GGGI's work is support to green transformation globally and at country level. Green transformation is by nature long term and highly political. In addition to having strong subject matter*

competencies, all GGGI staff needs competences in change management, political economy, environmental management and development cooperation.

Current status: The need is recognized by the GGGI management and will require continued attention at all levels and throughout the implementation of the Strategic Plan.

Recommendation 5: *The GGGI's country programs need to be more selective and realistic, particularly during their implementation phase. Country programs should have a clear strategic focus, drawing on participation at the local level through cooperation with stakeholders at the local and national level. GGGI's new strategy should promote transparency towards local partners, consultations across government ministries and other civil society actors, collaboration with similar initiatives/programs, and a two-way sharing of knowledge, experience and information in country and between GGGI partner countries.*

Current status: The Strategic Plan sets a clear frame for the GGGI's country programs, including a comprehensive value chain approach that should be consistently implemented to avoid engaging in projects that are not linked with country strategy processes or of little value in terms of developing and demonstrating innovative green growth solutions for broader knowledge sharing and potential replication.

Recommendation 6: *A new joint donor review should take place no later than in 2015. Consideration should be given to the inclusion of non-donor members in the next review process, potentially drawn from GGGI council's program sub-committee.*

Current status: The third JDR took place in October 2015. Unfortunately, no non-donor members expressed an interest in participating (besides during the country visit to the Philippines), while this idea still remains valid and should be encouraged for future reviews.