

# Intermediate Outcome 1

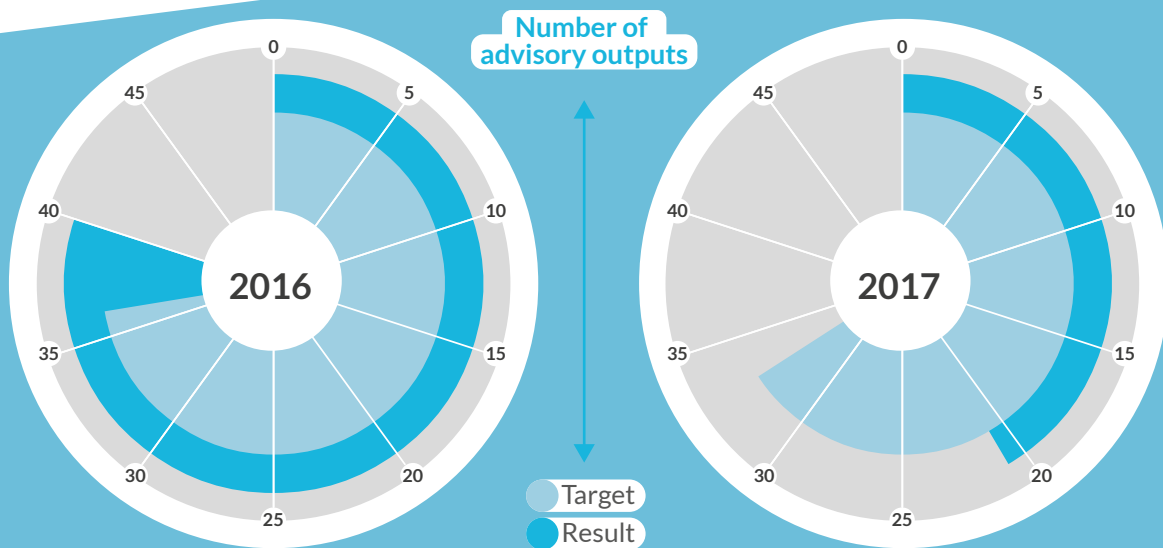
## Strengthened national, sub-national, local green growth planning, financing, and institutional frameworks

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.

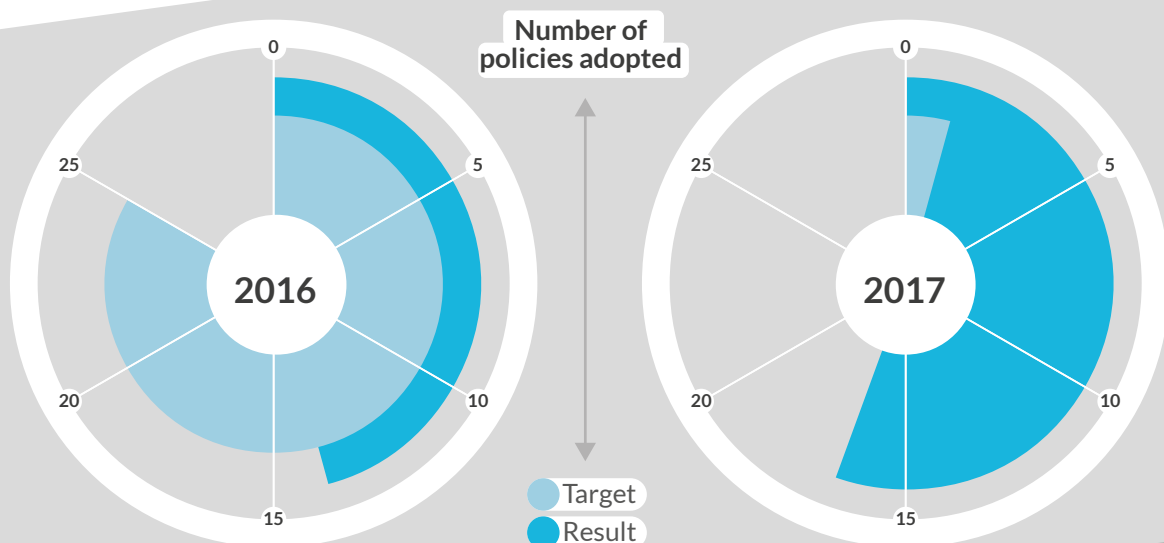
Through its results-based approach, GGGI is committed to making tangible impacts in countries it operates in by facilitating access to finance for the implementation of their NDCs. In Uganda, GGGI supported the Secondary cities of Gulu and Mbarara to develop Green Cities Development Action Plans and 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.

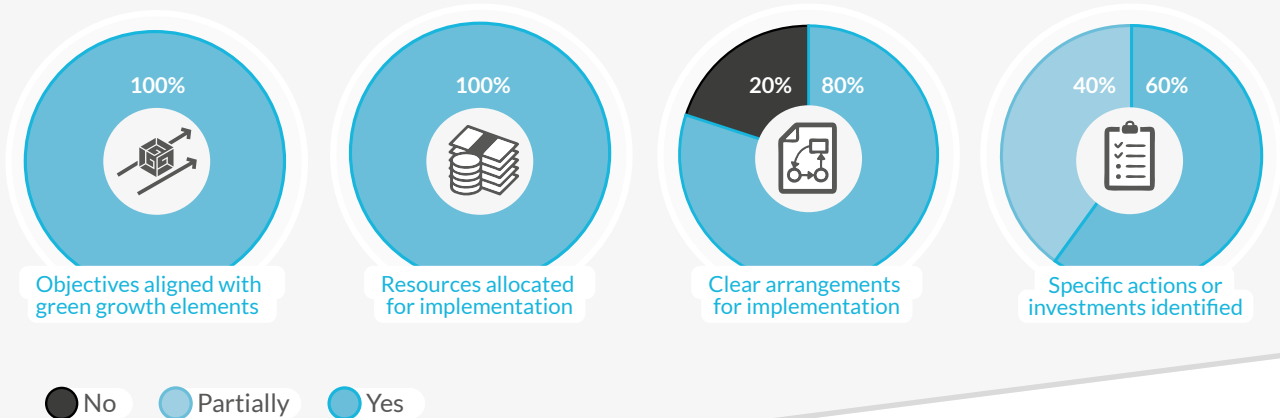
*There is a commitment from partner governments to implement the policies aligned with green growth elements; and these policies are likely to lead to transformational change if implemented.*

*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:

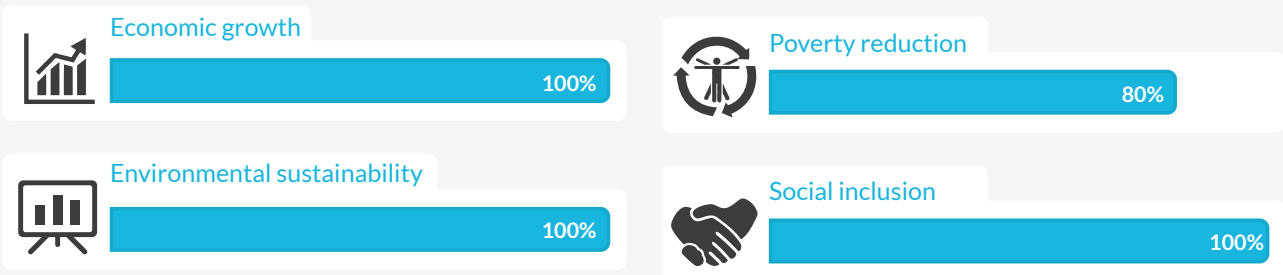
- Fiji:** The Government of Fiji is committed to promoting a transformational change in Fiji's economy toward a green growth model and to this end, it had sought GGGI's support in 2015 to prepare a new Fiji National Development Plan (NDP). The NDP which provides an integrated national green growth framework 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.