

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

Dear Friends and Members of the Global Green Growth Institute,

Two-thousand eighteen brought further stark warnings that the traditional model of development is unsustainable. Record setting temperatures, wildfires and increasing frequency and severity of extreme weather events such as droughts and floods vividly illustrated the findings of the Intergovernmental Panel on Climate Change's Special Report on 1.5°C, that an increase in warming from the current 1°C to 1.5-2°C will significantly increase the impacts of climate change and may result in catastrophic events and irreversible systemic changes.

The good news is that solar and wind energy are becoming the cheapest form of energy in more and more countries and electric buses and cars are emerging as attractive alternatives to diesel-fueled transportation that pollutes the air as well as emits greenhouse gases. This offers opportunities for developing countries for green growth that expands their economies without expanding emissions, while providing green jobs. Completion of the Paris Rulebook in Katowice was an important milestone towards implementation of the Paris Agreement, but climate action on the ground still needs to accelerate radically to limit warming to 2°C, let alone 1.5°C. At the same time there is an urgent need for action to adapt to climate change and combat air pollution, grow food sustainably without destroying natural capital, and deal with a host of other impacts of unsustainable economic growth that threatens future generations.

The Global Green Growth Institute continued to support its members in the transition to a green growth development pathway in 2018, with significant results at country level. Fiji completed its Low Emission Development Strategy and was only the 3rd developing country to submit a long-term strategy to the UNFCCC. Colombia and Lao PDR governments approved national green growth strategies. GGGI supported many more countries with over 88 policy advisory assignments completed in 2018, which led to 32 policies adopted by governments in 17 countries. GGGI's work in its Member and partner countries resulted in proven investor commitments of USD 482 million for 21 investment projects in 17 countries plus a number of national financing vehicles. Over the course of Work Program and Budget 2017-18, GGGI therefore helped mobilize over USD 1 billion in green and climate finance.

GGGI is experiencing interest in membership from a growing number of countries. In 2018 Paraguay and Tonga have officially become GGGI member countries, and Sri Lanka has deposited its instrument of accession to GGGI's Establishment Treaty, followed by Uzbekistan and Burkina Faso early in 2019. Uganda, Kuwait, Colombia, Morocco, Ecuador and Cote d'Ivoire are in the final stages of the ratification process. Another 20 countries have initiated the ratification process. GGGI also completed Host Country Agreements with Burkina Faso, Indonesia, Kiribati, Papua New Guinea and Uganda in 2018, signed a revised HCA with Ethiopia to establish its regional office in Addis Ababa, and is negotiating agreements in a further 7 countries.

GGGI's support for its member countries was made possible by its contributing members plus a growing number of donors supporting GGGI's work through earmarked projects. During the last biennium Hungary, Italy, Luxemburg, and the Netherlands provided financial support to GGGI for the first time, diversifying its group of donor countries. In addition, GCF became a key strategic partner for GGGI and 2018 Annual Report: Partnering to Catalyze Green Growth

GGGI received the first contracts from several United Nations organizations, further improving its financial sustainability.

In 2018 there was a sharp increase in the use of the Green Growth Knowledge Platform, the primary knowledge sharing and exchange tool of GGGI and its partners. GGGI is stepping up its evidence based green growth advocacy. Building on the success of Global Green Growth Week 2017 in Ethiopia, the Rwandan government organized a successful Africa Green Growth Forum 2018, with support from the GGGI country team in Rwanda. Senegal also organized its first Green Growth Week last year. These conferences helped move the green growth agenda forward in Africa. The government of Japan, as G20 Chair, commissioned GGGI to deliver a background paper on the potential of green growth to deliver the Paris Agreement to the G20 Climate Sustainability Working Group.

This 2018 Annual Report provides more information about the green growth accomplishments of its Member and partner countries, achieved with the support of GGGI. These results demonstrate convincingly that GGGI's work to scale-up green growth implementation and catalyze partnerships is delivering impact to the benefit of developing countries and the global community.



Ban Ki-moon

Ban Ki-moon

President of the Assembly and Chair of the Council

Message from the Director-General

Dear Green Growth Stakeholders,

I have now been Director-General of GGGI for over 2 years. Since arriving in October 2016, we have implemented the organization's Work Program and Budget (WPB) 2017-18, while at the same time building a new business model and taking the first steps to develop our next 10-year strategy.

The results delivered in 2018 and the impact that GGGI will catalyze in the decade to come are the culmination of the organization's commitment to its green growth mission and our transformational actions to become more flexible and innovative, and capable of catalyzing inclusive, environmentally sustainable growth at scale and where it will achieve most impact.

GGGI has shifted power to country offices from Headquarters, making them our front line, our business units – where projects originate in close coordination with our Member and partner governments, and with authority to manage procurement, Human Resources, and make many other critical and timely decisions locally.

Results and impact are the measuring sticks used to evaluate our success. In place of managing by disbursement rate and percentage of outputs delivered and KPIs achieved, GGGI has shifted focus to our 6 Strategic Outcomes in our Strategic Plan, our Corporate Results Framework, our business plans, our projects, and our impact assessment work.




Dr. Frank Rijsberman
 GGGI Director-General

GGGI has instilled flexibility and adaptability in its project cycle. We have done this by foregoing the fixing of all projects and budgets into our biennium WPBs, in favor of creating a pipeline of Resource Mobilization projects that generated USD 30 million in new commitments in 2018, and generating an internal origination and ideation pipeline of policy and investment projects. This Project Idea Note, or PIN, process has given us a solid pipeline of projects to work on across the organization, as well as a pipeline of over 85 ideas under development.

Redesigning our business processes has been critical to achieving GGGI's 2018 results and positioning us to deliver greater impact in the next 10 years. Away from decision making processes that could take 6 weeks from the originator in a country office, require hard-copy documents and up to 15 approval sign-offs, and toward streamlined, mobile decision making that can be completed online anywhere. GGGI has essentially moved all of its business tools and platforms online.

Through these strategic and tactical actions, GGGI has implemented its new business model, or "re-built" its plane so to speak. This begs the questions where will we fly our new, nimbler and more effective plane? How will GGGI's Strategy 2030 get us to this destination? Will we be disruptors or be disrupted in the emerging sustainable development landscape where evidence-driven results are paramount, and delivering them must engage increasingly diverse and demanding stakeholders?

The answers will be made clear in the years to come, but I believe GGGI has worked hard to increase its ability to deliver impact and transformational change. The change GGGI has made these last 2 years will help our Members and partners transform their economies, support the world to avoid dramatic climate change, increase the blue skies, healthy landscapes and decent green job opportunities for people to enjoy. 2018 Annual Report: Partnering to Catalyze Green Growth

The green growth successes and results our Member and partner countries achieved in 2018, and are showcased in this Annual Report, are evidence of the impact of GGGI's transformation and our increasing ability to lead the coming green growth transition.