

## TC ABSTRACT

### I. Basic project data

▪ Country/Region	Regional
▪ TC Title	Implementation of the Institutional Partnership between the Global Green Growth Forum and the Inter-American Development Bank
▪ TC Number	RG-T2633
▪ Team Leader/Members	Team Leader: Susana Cárdenas (INE/CCS); Team Members: David Wilk, Asger Garnak, Juan Chang (INE/CCS); Maya Hennerkes (SCF) and Yara Vasquez (INE/CCS).
▪ Taxonomy:	Research and Dissemination
▪ Reference to Request <sup>1</sup> : (IDB docs #)	
▪ Date of TC Abstract:	21 April 2015
▪ Beneficiary:	Regional borrowing members
▪ Executing Agency and contact name:	IDB, Climate Change and Sustainability Division, (INE/CCS).
▪ IDB Funding Requested	US\$135,000
▪ Local counterpart funding, if any	US\$250,000
▪ Disbursement period (execution period)	18 months (18 months)
▪ Required start date	May 2015
▪ Types of consultants:	Individual consultants
▪ Prepared by Unit	INE/CCS
▪ Unit of Disbursement Responsibility	INE
▪ Included in Country Strategy (y/n):	N/A
▪ TC included in CPD (y/n):	
▪ GCI-9 Sector Priority	Protect the environment, respond to climate change and promote renewable energy

### II. Objective and Justification

- 2.1 A number of Bank borrowing member countries have developed and implemented national policies and strategies for a transition to a Green Economy. Some are at an initial stage of determining scope and opportunities for a green economy while others actively integrate Green Growth strategies in their national development plans. With the purpose of broadening the green growth agenda's reach in the region, the Bank established an institutional partnership in 2013 with the Global Green Growth Forum ([3GF](#)), which is an initiative led by the Governments of Denmark, Korea, Mexico, China, Kenya, Qatar and Ethiopia. The 3GF-IDB Institutional Partnership intends to support borrowing member countries to plan and deploy their green growth strategies effectively. The 3GF's annual global forum and its regional forums in Latin America, Asia and Africa jointly seek to accelerate the transition to a green future by providing a global platform to realize scalable green growth solutions. The forums convene top decision makers from governments, business, finance, civil society and international organizations with a view to exchange strategic green ideas, share novel green growth evidence and push forward innovative partnerships for green growth. This global initiative will contribute to the discussions in the context of the Sustainable Development Goals (SDGs) for the post 2015 agenda, and the United Nations Framework Convention on Climate Change meeting (COP21) in Paris in December 2015.

<sup>1</sup> A copy of the Letter of Request, Programming/Portfolio Review Mission Aide Memoire or Report requesting the TC should be submitted with the Abstract.

The first regional forum 3GFLAC was co-hosted by the Government of Colombia in June 2013, and was focused on renewable energy. The Bank also participated in 3GF's global forum process and in its Advisory Board. The next step in the implementation of the 3GF-IDB Institutional Partnership is this year's 3GFLAC (draft program attached), to be co-hosted by the Government of Chile on June 18-19, 2015 in Santiago de Chile. The IDB will prepare and lead two forum discussion topics namely on renewable energy/energy efficiency, and forests and land use, and will contribute to other forum agenda points such as sustainable cities and green financing. The outcomes of this forum will be the assistance provided to the dialogue at the global preparatory meeting in October 2015 and to the Summit in April 2016.

### **III. Description of activities and outputs**

#### **A. IDB-led activities and support to 3GFLAC in 2015.**

- 3.1 The 3GFLAC 2015 forum in Santiago will address key green growth policy and sectoral priorities in the region and consider how regional and international partnerships may help accelerate implementation of green growth priorities. Specific Bank contributions to 3GFLAC consist of two IDB-led panels, and partial contributions to plenary sessions and partnership engagements.
- 3.2 **Thematic panel: Consolidating Global Commitments on Forests in Latin-American and the Caribbean (LAC).** This IDB-led panel will present activities undertaken in specific LAC countries (i.e. Brazil, Chile) and the enabling resources in relation to forests and land conversion, deforestation and forest degradation. The actors involved in this discussion include national, regional and sub-regional governments and entities, producer and consumer associations, forest communities, civil society, research institutions and the private sector. The panel will explore models of cooperation among companies in LAC's forestry sector to implement sustainable business strategies and drive systemic change. The panel will also give insights on the current contributions of related national, regional and local strategies and initiatives to the implementation of the New York Declaration on Forests and discuss how international donors can contribute to the realization of such declaration in LAC.
- 3.3 **Thematic panel: The future of clean energy in LAC: mobilizing financing for renewable energy, energy efficiency and grid integration.** LAC has a large potential for renewable energy deployment, as well as ample space to implement sensible energy efficiency measures. This session's introductory review will address the region's clean energy potential and highlight best practices to enable investments. In addition, the panel will discuss the experience to mobilize financing in the region to realize the potential for renewable energy and energy efficiency. In addition to showcasing innovative financing alternatives for clean energy, participants will also discuss market design and grid integration.
- 3.4 **Plenary sessions.** (i) LAC's cities as drivers of green growth, and (ii) unlocking finance for green growth opportunities. The IDB will contribute to these discussions by presenting the development and results of its Emerging and Sustainable Cities Initiative, as well as the Bank's mobilization of climate finance across the region.

#### **B. LAC's participation at the global 3GF forum:**

- 3.5 The outputs of the 3GFLAC regional forum in Santiago will be enhanced, communicated and further developed throughout the 3GF process. Denmark will host the summit's preparatory meeting in October 2015 and the Summit in April 2016. The Bank intends to continue its engagement in this green growth dialogue as well as to support borrowing members in their processes.

- 3.6 **Expected outputs.** The draft program for 3GFLAC 2015 is attached. The regional forum’s rapporteur’s report, and reports on the 3GF preparation and summit will be made available via the Bank systems in due course.
- 3.7 **Expected Results.** (i) To develop among forum stakeholders a shared understanding of green growth and what strategies and actions are necessary in LAC to foster sustainable growth; (ii) launch new or develop existing public-private partnerships to have a transformational effect on LAC’s economic growth patterns; (iii) engage public sector actors in the requisite policy and regulatory actions to enable green growth; and (iv) engage private stakeholders in rapid and large-scale deployment of sustainable business initiatives in their respective fields.

#### IV. Estimated Budget

**Indicative Budget (US\$)**

Component/Description	IDB Funding	Counterpart	Total
Support of LAC participants at the 3GFLAC Forum in Santiago and the global 3GF	95,000	150,000	245,000
Design and production of electronic and print materials, booths, others	20,000	70,000	90,000
Production of rapporteur’s report, specific thematic inputs as needed	20,000	30,000	50,000
<b>Total</b>	<b>135,000</b>	<b>250,000</b>	<b>385,000</b>

#### V. Executing Agency and Execution Structure

**Executing Agency:** IDB.

**Host:** Ministry of Environment, Government of Chile.

- 5.1 The IDB, via its Climate Change and Sustainability Division (INE/CCS) will execute the proposed TC project and take supervisory and procurement responsibility. CCS will coordinate with other participating Bank departments and liaise with 3GF throughout the regional and global forums’ process. INE will be the unit with the disbursement responsibility.

#### VI. Project Risks and Issues

- 6.1 An initial risk to the success of the 3GFLAC is that the concept of green growth in the region is not yet fully understood nor embraced. The 3GFLAC intends precisely to promote consensus on the concept and enable policy and financial support for it. Another risk is that with a backdrop of a fragile global economy, any signs of an economic downturn may slow down medium-term, riskier investments such as those that are more sustainable than the business-as-usual approach. A final risk is that political leadership, and changes thereto, may favor short-term gains over strategic medium-term investments. The 3GFLAC therefore targets the highest ministerial and CEO levels to secure political commitment, as well as high-level operators and decision-makers to ensure follow-through.

#### VII. Environmental and Social Classification

- 7.1 Given the nature of the operation, no environmental or social impacts are expected as a result of its implementation. The operation has received a “C” Classification per the Environment and Safeguards Compliance Policy of the Bank (OP-703).