Climate Action Accelerator

german humanitarian assistance
DEUTSCHE HUMANITÄRE HILFE

Launch event

TOWARDS HALVING GREENHOUSE GAS EMISSIONS BY 2030 IN THE HUMANITARIAN SECTOR

a sectoral roadmap

13 June 2024, 14:30–16:30
German Federal Foreign Office (GFFO), Berlin

V1.0 For stakeholders' review

We are deeply appreciative of the support from our other donors on this project:

MINISTÈRE DE L'EUROPE ET DES AFFAIRES ÉTRANGÈRES
Liberté
Égalité
Fraternité
Centre de crise et de soutien

European Union Civil Protection and Humanitarian Aid

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra
Swiss Agency for Development and Cooperation SDC

Housekeeping rules

- Welcoming participants, in person and online
- This session is live-streamed - no recording
- The chat is available, not the Q&A function

PROGRAMME

INTRODUCTION AND WELCOME — 14:30 to 14:45

- **Jennifer Morgan**, State Secretary and Special Envoy for International Climate Action
- **Bruno Jochum**, Executive Director, Climate Action Accelerator

SECTORAL ROADMAP PRESENTATION: KEY FINDINGS AND RECOMMENDATIONS — 14:45 to 15:30

- **Béatrice Godefroy**, Public Policy Engagement Director, Climate Action Accelerator

PANEL DISCUSSION: "ACCELERATING THE CLIMATE TRANSFORMATION OF THE HUMANITARIAN SECTOR: PRIORITY LEVERS AND INVESTMENTS" — 15:30 to 16:30

- **Deike Potzel**, Director General, GFFO
- **Gilles Carbonnier**, Vice-President, International Committee of the Red Cross (ICRC)
- **Barbara Hintermann**, Director General, Terre des Hommes Lausanne
- **Dr Thorsten Klose-Zuber**, Secretary General, HELP – Hilfe Zur Selbsthilfe e.V.
- **Julia Stewart-David**, Advisor for Climate Change and Resilience, DG ECHO

Moderated by **Nishanie Jayamaha**, Co-lead, Secretariat of the Climate and Environment Charter for Humanitarian Organisations

NETWORKING COFFEE FOR IN-PERSON PARTICIPANTS — 16:30 to 17:30

SECTORAL ROADMAP **SNAPSHOT**

Why a roadmap? What for?

- Significant potential for amplification and rapid change if decision-makers are better informed
- Accelerate action by equipping actors, identifying priority levers, methodology and best practices
- An emerging practice in many sectors of society: health, etc.
- Guidance to help 'tip' the sector towards becoming less emissive and operate within 'planetary boundaries'

18-month project

Whole-CAA effort, Arup

Sectoral Roadmap objectives

- Operationalise commitments #2 and #5 of the Climate and Environment Charter, and the Donor Declaration
- Empower humanitarian organisations in their decarbonisation journey
- Identify ways to enable and incentivise change

Scope: **Decarbonisation**, excluding local environmental degradation

Main focus: International Humanitarian Organisations

A playbook specifically for local NGOs is being developed

Roadmap for halving emissions in the humanitarian sector by 2030

A PATH TO CLIMATE-SMART HUMANITARIAN ACTION

Analysis of the sector's emissions profile, decarbonisation levers and solutions journey for halving emissions by 2030

OPERATIONAL PLAYBOOK FOR ORGANISATIONS

Formulating a pathway for transformation

- 9 Guiding principles
- 8 high impact solutions ("Top 8")
- Transformation levers
- Financial impact assessment

ENABLING CHANGE

How donors and UN lead the way, and further enable and incentivise humanitarian organisations

INFLUENCING OUR COMMUNITY

Supporting the acceleration of change across humanitarian actors, through policy recommendations and a dedicated influence strategy

Strategic Advisory Board

- **12 senior leaders** from UN, INGOs, donor agencies and climate community
- **2 sessions** (Sept 23 & May 24)
- **Advisory and consultative role**

Members

UN entities

- Mervat Shelbaya | IASC, UNOCHA
- Matthew Dee | WFP

Donors

- Julia Stewart-David | ECHO
- Susanne Fries-Gaier | GFFO
- Pierre Salignon | CDCS
- Marcia Wong | BHA, USAID

INGOs & Red Cross Red Crescent

- Jan Egeland | NRC
- Pierre Krähenbühl | ICRC
- Nena Stoiljkovic | IFRC
- Shahin Ashraf | Islamic Relief Worldwide

Climate Roadmap experts

- Louise Rehbinder | Exponential Roadmap Initiative
- Sonia Roschnik | Geneva Sustainability Center

1. Guiding Principles

For effective emissions reduction in humanitarian organisations

A compass for acceleration

- **Disseminate best practice** among humanitarian organisations
- **Maximize the volume of emissions potentially avoided**
- Pave the way for **consistent monitoring and reporting on emissions**.

→ Harmonisation leading to more effective emissions reduction plans

Underlying problem statement

1. Global warming is faster than expected: **operationalising commitments has become urgent**

2. **Perception of competing priorities** between humanitarian mandate & climate action must be addressed

3. **Effective emissions reduction speaks to physical realities and quantities** of GHG, not just intentions

4. **Low credibility methodology** leads to poor effectiveness and reputational risk (greenwashing)

5. **Poor public accountability** undermines trust in commitments made

6. **Biodiversity loss and pollution** impact communities as much as climate disruption

7. **Isolation leads to lower achievements** and slower progress

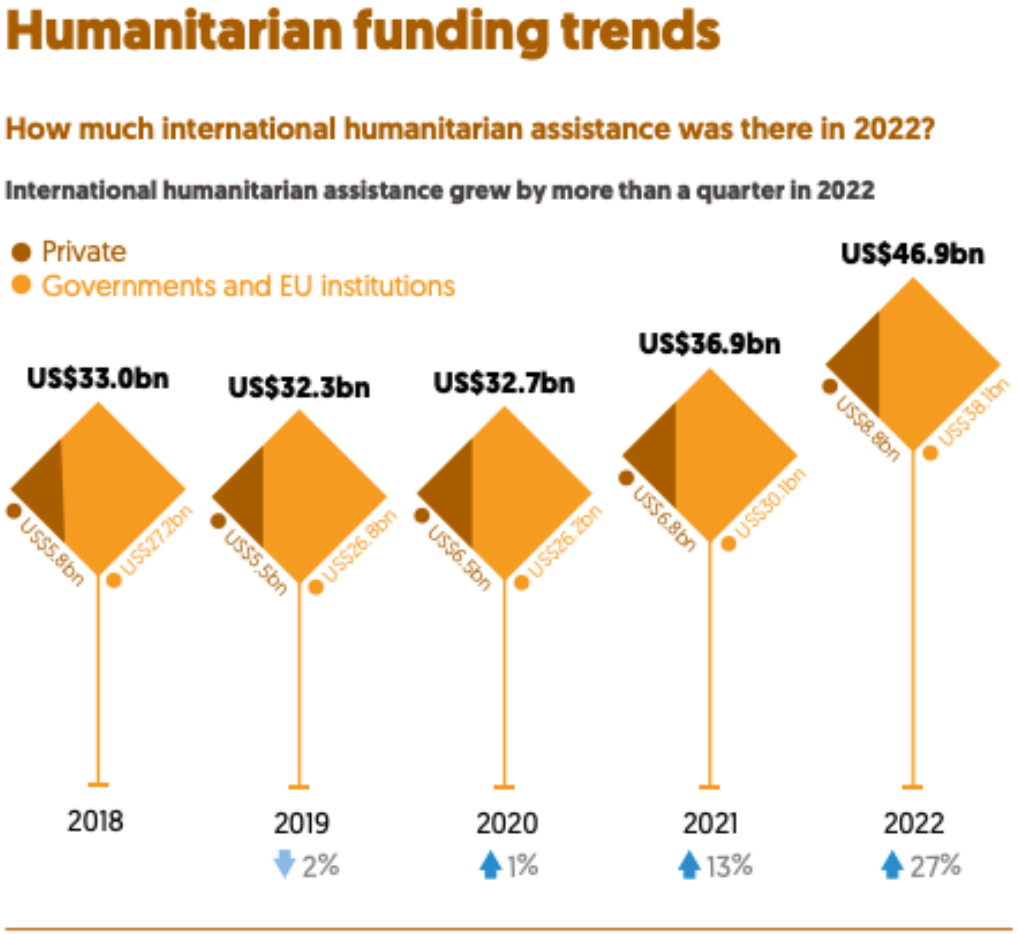
Principles

- Principle 1: Take Responsibility on what you control and can influence
- Principle 2: Engage in radical collaboration with others
- Principle 3: Reinforce or maintain social goals and humanitarian principles
- Principle 4: Set quantified targets and milestones
- Principle 5: Exercise integrity
- Principle 6: Commit to transparency
- Principle 7: Favour integrated approaches to climate and environment
- Principle 8: Make the best use of resources, limiting consumption as and when relevant
- Principle 9: Embark your community

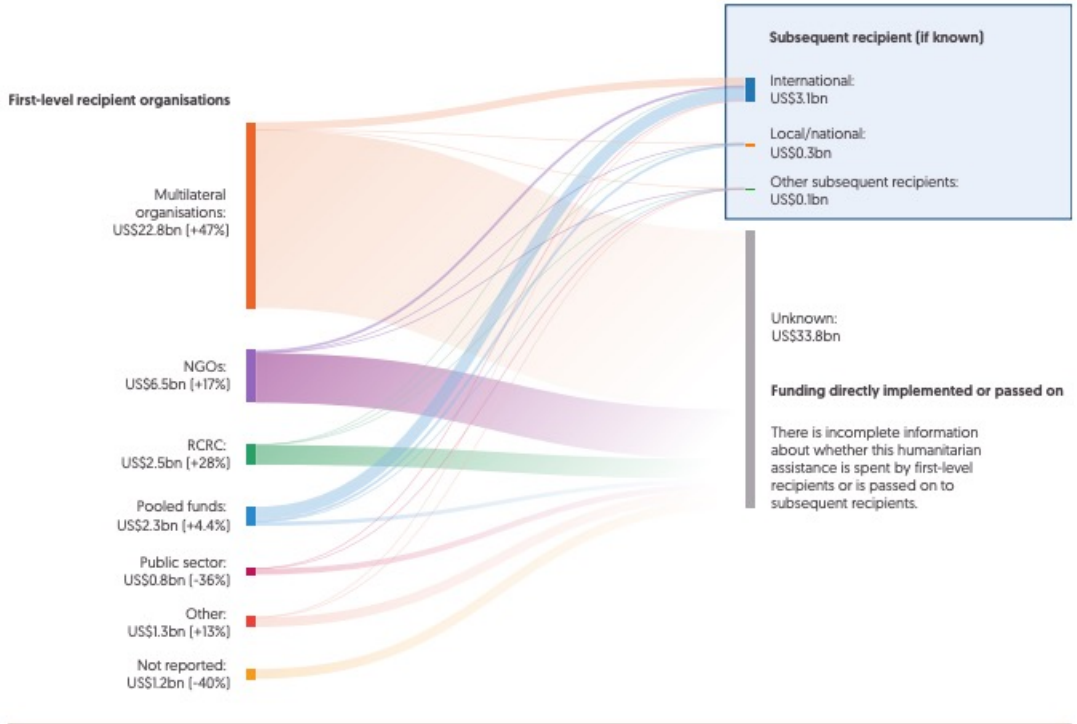
2. Sectoral emissions analysis

Main Findings

Scoping and boundaries



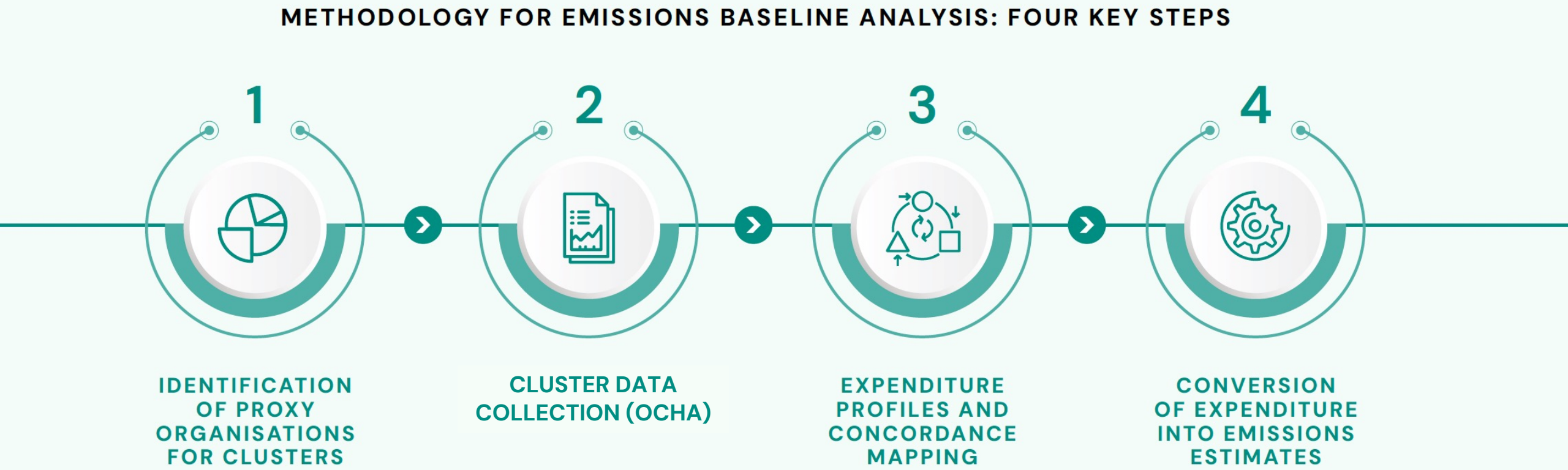
Source: GHA report 2023, courtesy of Development Initiatives



Source: GHA report 2023, courtesy of Development Initiatives

- UN & Red Cross channel 75% of international humanitarian assistance
- 2022 giant leap impacts significantly the trajectory

Footprint estimation methodology



Key findings – sector emissions trajectory

Estimated emissions from 2019-2030

Global total (MtCO2e) 2030 post interventions and structural decarbonisation assumptions:

~ 20.0

Emissions reduction (from 2022-2030)

43% emissions reduction

+ 5% margin of progression

Emissions intensity

- 0.46 kg CO2e/EUR in 2030

Gap of **~2.4 MtCO2e** between the emissions trajectory and 50% reduction goal by 2030

- Growth assumptions +/-2% annual effective growth rate
- Baseline year 2022 / target year 2030

Key findings - 2022 baseline estimate

Global footprint of the Humanitarian Aid Sector by nature

Global total 35 MtCO2e 2022

➔ National Health Service UK 25 MtCO2e 2019

➔ An EU city of 4.6m inhabitants, consumption-based

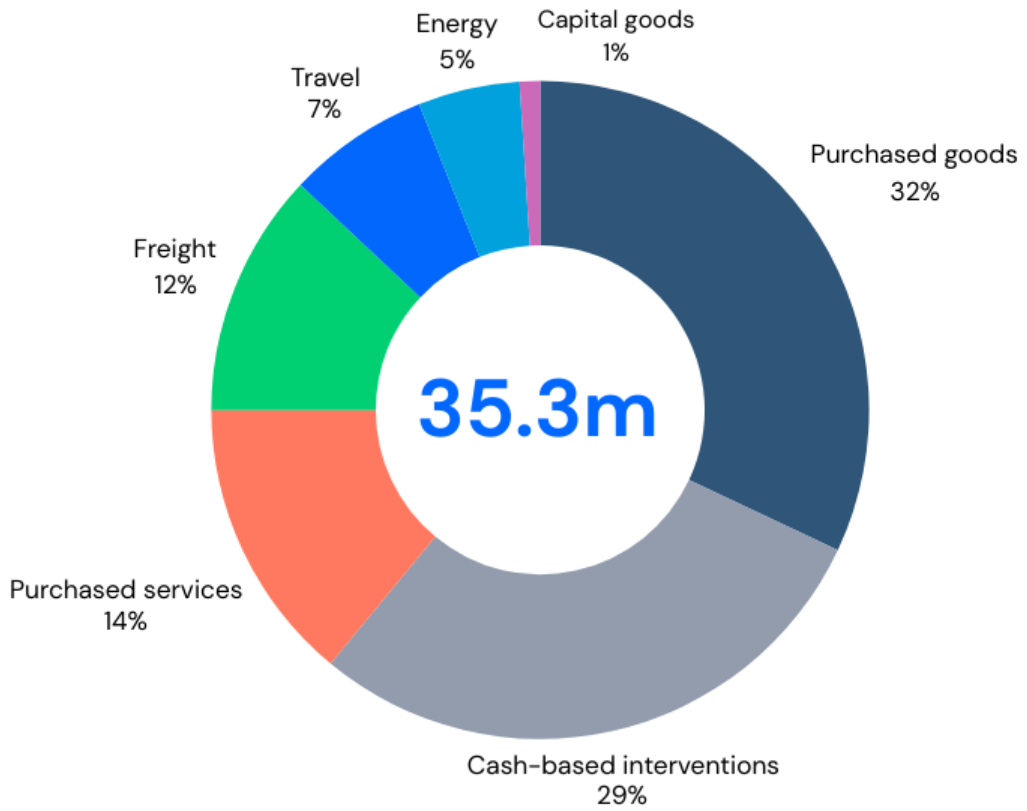
Main sources of emissions

1. Purchased goods 32%,
2. Purchased services 14%
3. CVA 29%
4. Energy, freight, travel 24%

Procurement = 75% of emissions

Emissions intensity

0.90 kg CO2e/EUR in 2022 (twice the level of manufacturing sector in the EU)



Overview of global emissions for the humanitarian aid sector in 2022

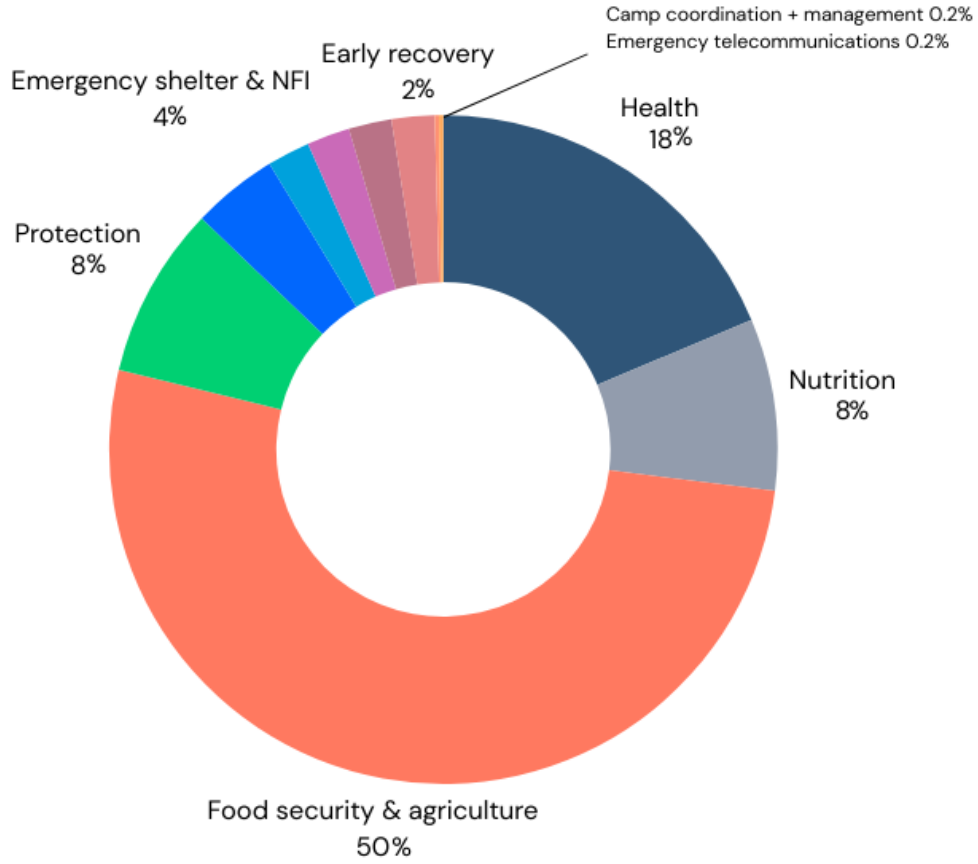
Key findings – 2022 baseline estimate

Global footprint of the Humanitarian Aid Sector by cluster

92% of the sector's emissions

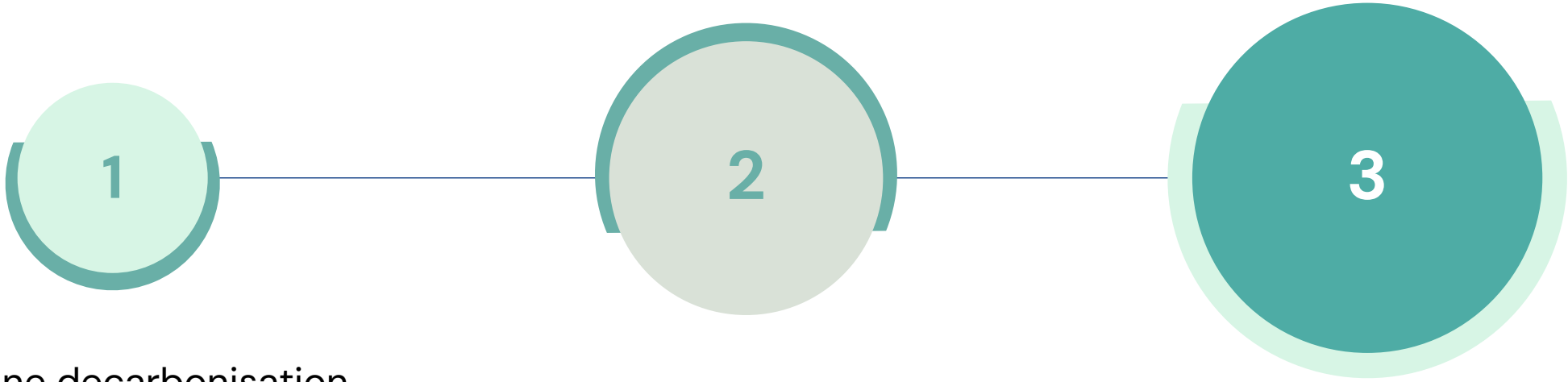
Top 6 cluster emissions sources:

1. Food security and agriculture (50%)
2. Health cluster (18%)
3. Nutrition cluster (8%)
4. Protection (8%)
5. WASH (4%)
6. Emergency Shelter (4%)



Emissions reduction scenario methodology

Process followed to undertake scenario analysis and generate roadmap



Define decarbonisation levers and their magnitude of impact

Apply decarbonisation levers to the emissions baseline

Refine decarbonisation levers and their magnitude of impact to enable sector to meet its goal

Key findings – definition of levers & targets

	Decarbonisation lever	Applied to	Emissions Category
1	Reduce energy consumption by 40%	All emissions sources captured in the "Energy" category	ENERGY
2	Replace 20% of electricity purchased from the grid with solar photovoltaic (PV) panels	"Electricity" sub-category within the "Energy" emissions categorisation	
3	Replace 80% of non-electricity and natural gas energy purchased (e.g., generator fuel) with solar PV	"Other" sub-category within the "Energy" emissions categorisation	
4	Reduce number of passenger-km travelled by 45%	All travel modes	TRAVEL
5	60% of travel flights to be booked on less carbon intensive flights (i.e., flights with 20% lower CO2e emissions than current flights)	Air travel	
6	Reduce energy consumption used in land travel (excluding rail travel) by 40%	Land travel (including rail travel and vehicle travel)	
7	Reallocate 35% of air freight to sea freight	Air freight and sea freight	TRANSPORT
8	Transition 60% of freight services to greener providers reducing emissions intensity of all freight services by 20%	All freight sub-categories	
9	Transition to greener procurement of goods and services, reducing the emissions intensity of all goods and services by 40%	Purchased goods; purchased services and capital goods	PROCUREMENT
10	Reduce indirect emissions associated with cash-based interventions/ disbursements by 30%	Cash-based interventions/ disbursements	
11	Reduce excess goods purchased by 80%. (Excess goods are unnecessary orders that represent 10% of total expenditure.)	Purchased Goods	

Key findings – sector emissions trajectory

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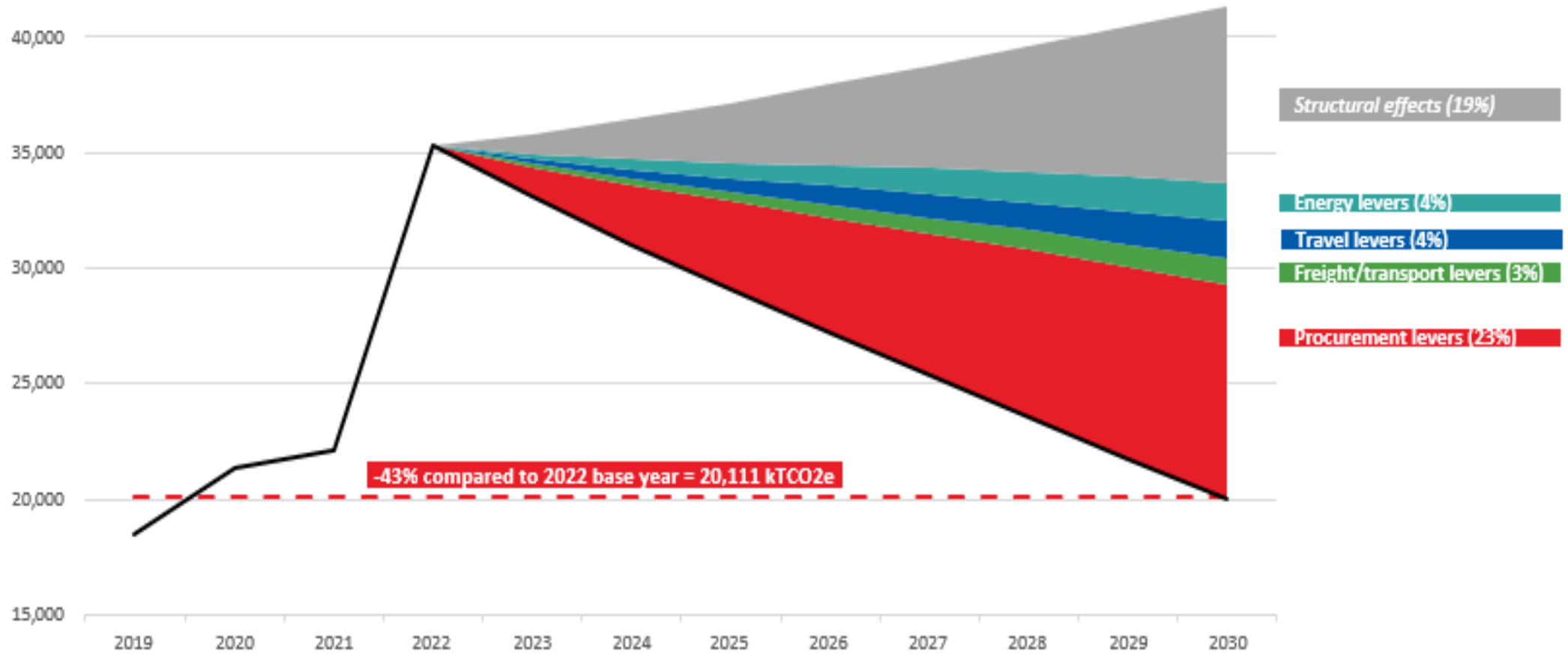
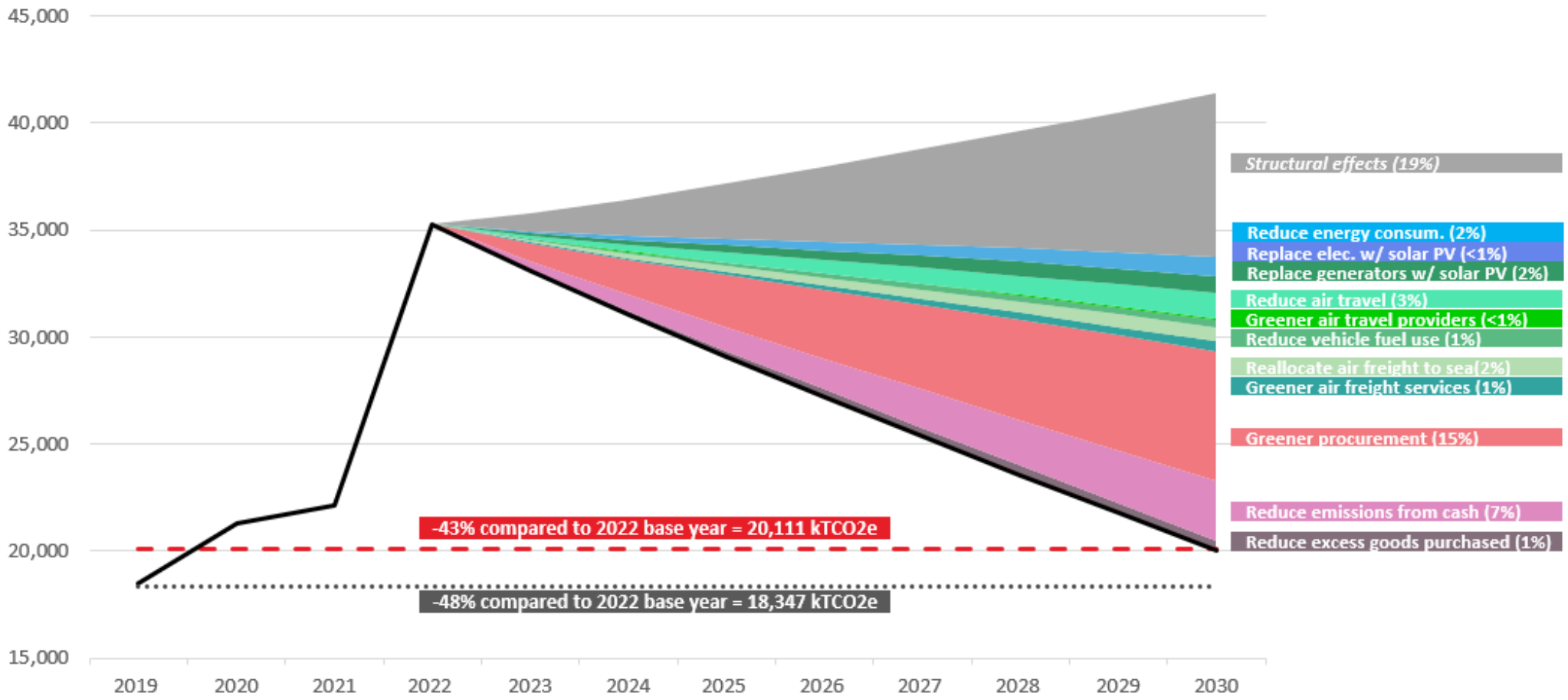


Key findings – contribution of levers

% of contribution of each lever to decarbonisation efforts



Financial benchmarks

Based on data from Climate Action Accelerator's partners, 2019 baseline

Average net financial impact (yearly budget): 0.09% without staff and 0.29% with staff.

Running costs

1.02% on average, varying from 0.25% to 2.1%.

- Greener purchasing solutions (transport, general purchases).

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0.58% of the yearly budget on average (from 0% to 1.1%).

- Energy saving measures, solar energy and environmental solutions

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Savings

1.52% of the yearly budget on average (from -0.3% to -2.5%).

- Transport solutions (plane travel and freight), energy solutions.

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Staff costs

An additional **0.2%** of the budget may be added for human resources

Abatement curve

Based on data from Climate Action Accelerator's partners, 2019 baseline

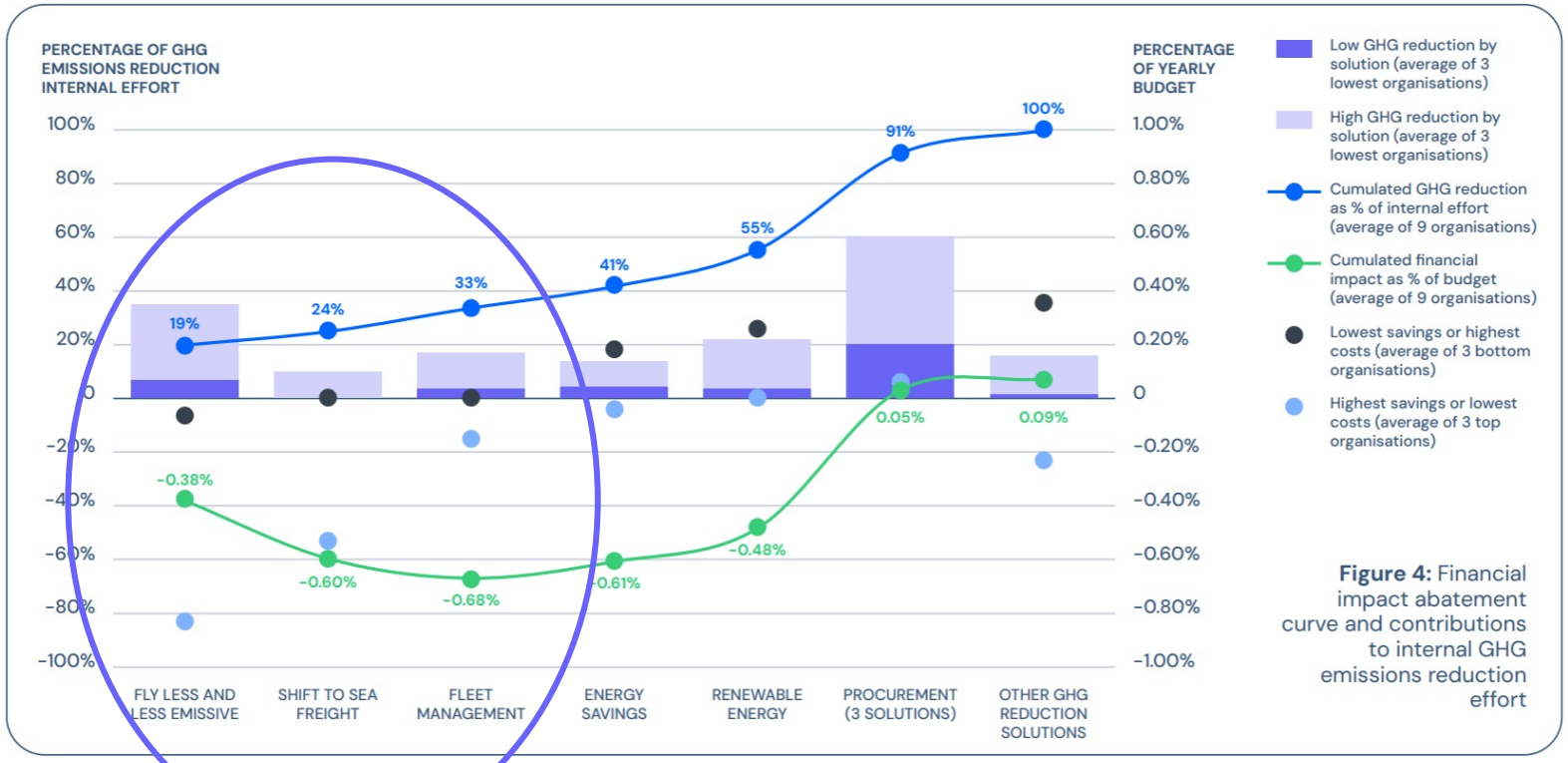

Figure 4: Financial impact abatement curve and contributions to internal GHG emissions reduction effort

Travel, freight and fleet

- **Cumulated savings 0.68%**
- **33% of reduction effort**

Energy solutions

- Average net cost of 0.06% (energy savings) and 0.13% (renewable energy)
- Early investments = early savings and increased GHG emissions reduction

Procurement of goods

- Highest cost: 0.53%
- Largest GHG reduction impact: 36% of reduction effort

Abatement curve

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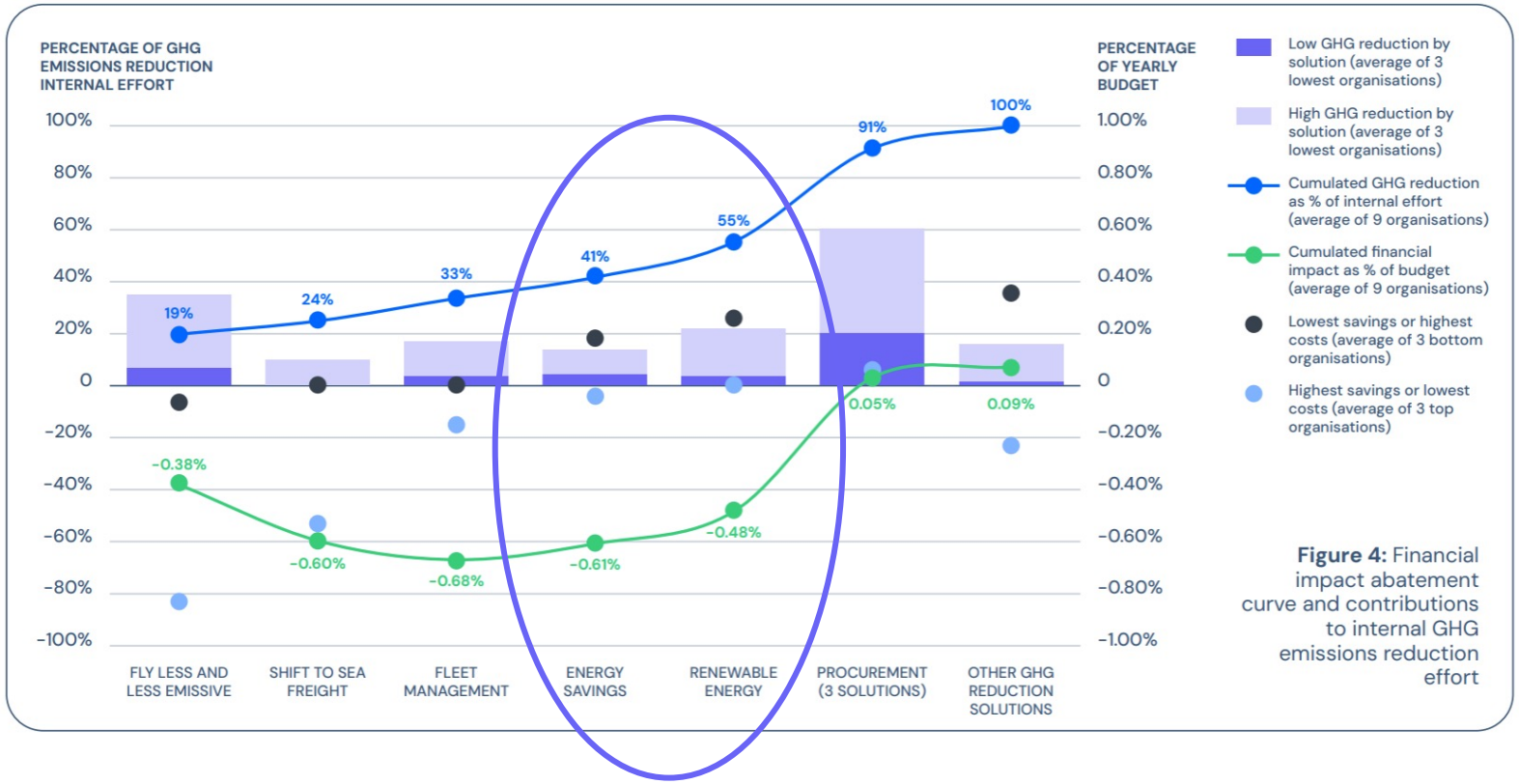

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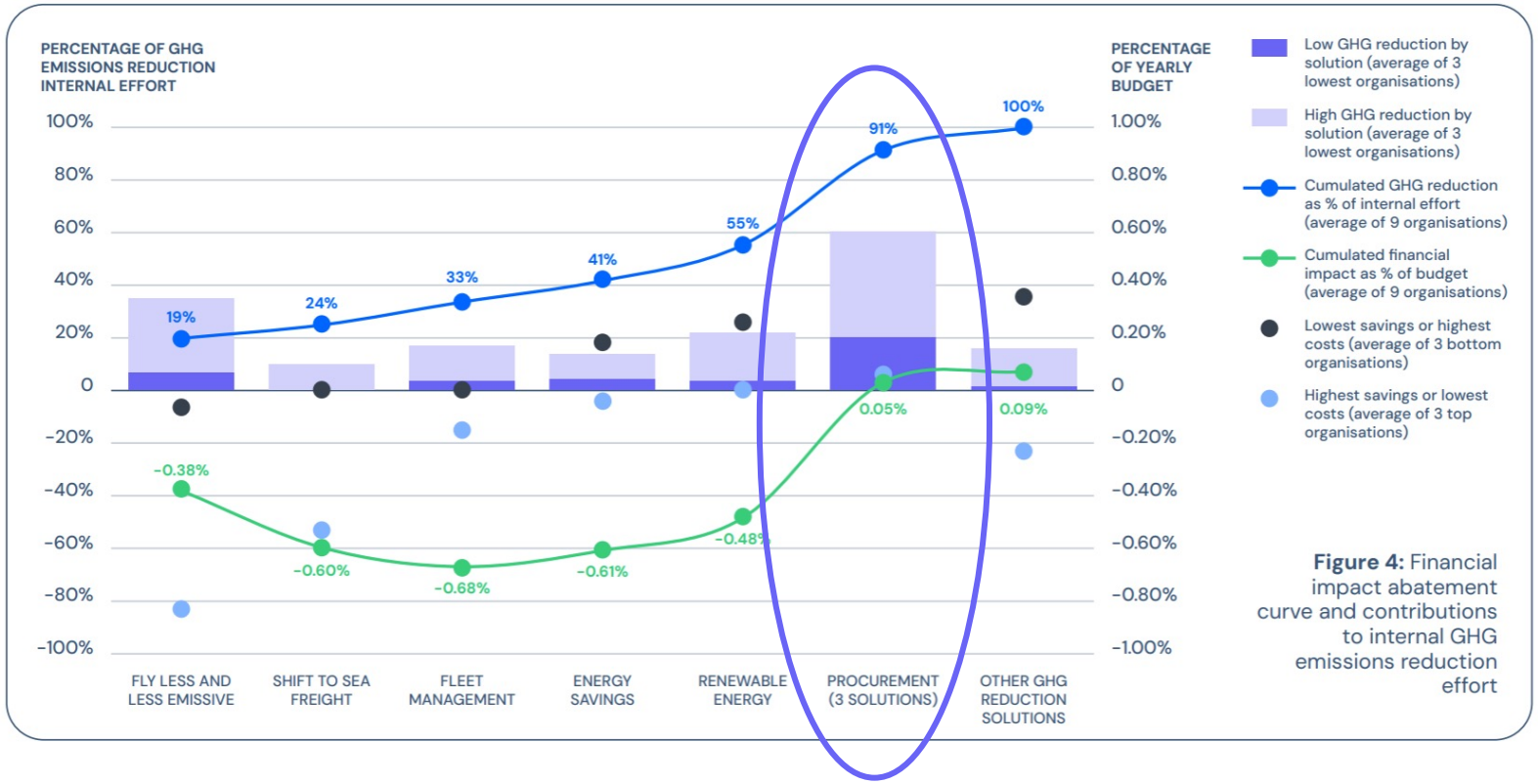

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Initial conclusions

& Areas for further exploration

-50% by 2030: a **steep curve** over 6 years requiring strong mobilisation

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Urgent action needed on **procurement**, **especially (but not only) food items**

Initial conclusions

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-50% by 2030: a **steep curve** over 6 years requiring strong mobilisation

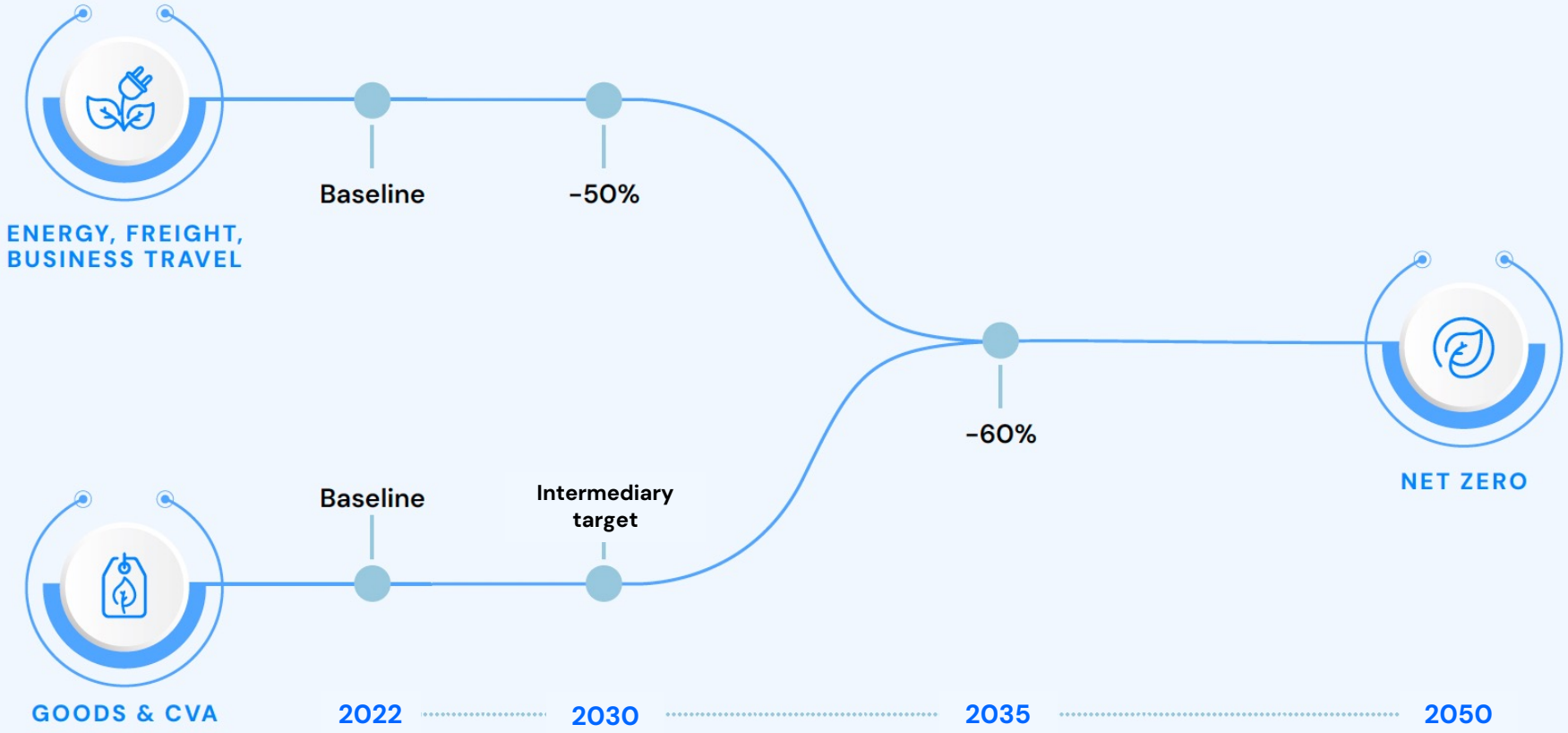
Maximising direct emissions reduction from **energy, freight and travel** by 2030

Urgent action needed on **procurement**, **especially (but not only) food items**

Further research needed on **cash (CVA)** measurement and levers

To be further explored

Alternative modelling option



DUAL TIMELINE MODELLING OPTION FOR HUMANITARIAN SECTOR EMISSIONS TRAJECTORY

3. An operational playbook for organisations

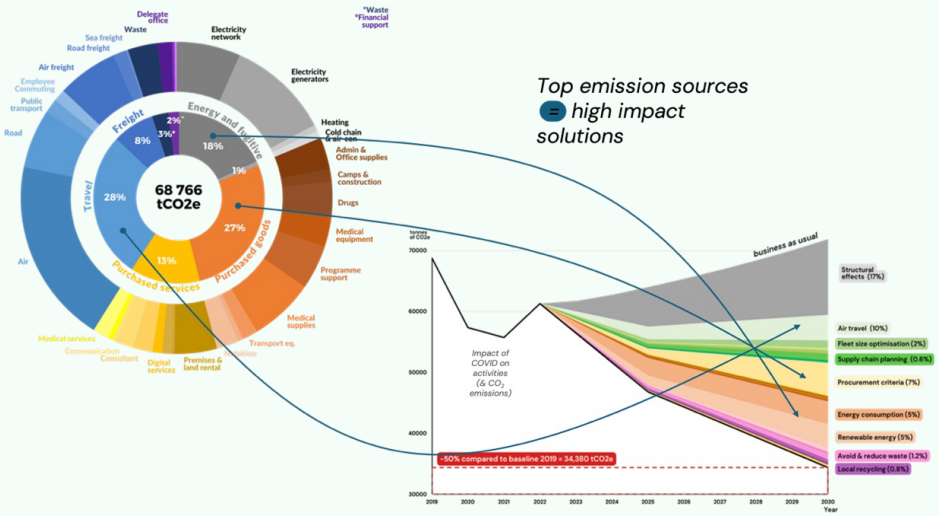
Pathway to decarbonisation

1. ADOPTING A PRINCIPLES-BASED APPROACH
2. FOCUSING ON TOP SOLUTIONS
3. BEING A DRIVER OF CHANGE - TRANSFORMATION LEVERS
4. ASSESSING THE FINANCIAL IMPACT

Our experience developing roadmaps with our partners

PILLAR 1:
ADOPTING A PRINCIPLES-BASED APPROACH TO EFFECTIVE EMISSIONS REDUCTION

5 Steps for developing an emissions reduction roadmap



OUR OVERALL METHODOLOGY*

STEPS IN THE FOOTPRINT ANALYSIS

- Resources & Footprint Hypothesis
- Scope definition
- Data collection and results

STEPS IN THE ROADMAP CONSTRUCTION

1. STATE OF AFFAIRS
2. SOLUTIONS PROPOSALS
   - List of solution 1st draft
3. ASSESSING SOLUTIONS FEASIBILITY AND FIXING TARGETS
   - Final list of solution
4. TRAJECTORY AND COSTS
   - Trajectory modeling & footprint report
   - Roadmap narrative & indicators
5. IMPLEMENTATION FRAMEWORK
   - Roadmap publication
   - Monitoring & continuous improvement

*a 9-12 months process

Based on its work with its humanitarian partners, Climate Action Accelerator proposes a list of eight solutions to prioritise effective emissions reduction.

PILLAR 2: FOCUSING ON TOP SOLUTIONS

TOP 8 SOLUTIONS

1. REDUCE ENERGY CONSUMPTION
2. SWITCH TO RENEWABLE ENERGY BY DEFAULT
3. FLY LESS AND LESS EMISSIVE
4. OPTIMISE FLEET MANAGEMENT AND DRIVE LESS EMISSIVE
5. SWITCH TO LOW-CARBON, SUSTAINABLE ALTERNATIVES
6. PRIVILEGE LOW-CARBON SUPPLIERS AND HELP SHAPE MARKETS
7. BUY ONLY WHAT IS NEEDED
8. SHIFT FROM AIR FREIGHT TO MARITIME, ROAD AND TRAIN

80 to 90 % of internal reduction efforts

OTHER SOLUTIONS: WASTE, BIODIVERSITY, DIGITAL

Example: energy and premises

- Scope and definition
- Why is this important for humanitarian actors
- Specific actions
- Opportunities, challenges, enablers
- Co-benefits
- Financial impact assessment
- Good practices
- Tips

1. Reduce energy consumption
2. Switch to renewable energy by default

SOLUTION #1

REDUCE ENERGY CONSUMPTION

- This solution costs on average 0.04% over 7 years, with the financial impact varying from average savings of 0.19% to average costs of 0.23%.
- On average, this solution starts generating savings in year 5. By year 7, savings reach 0.10% of the budget, on average.
- The running costs and human resources costs needed to implement this solution are limited.

Main assumptions:

- A reduction in energy consumption averaging 25%, coming from behaviour change, insulation and energy saving equipment.
- The need to combine insulation solutions: "white roofs" (relatively cheap) and proper insulation of buildings (more costly).
- The need to invest in energy monitoring equipment, estimated between 300 USD and 5,000 USD per power source.
- A 'top-up' for the renewal of equipment (air conditioning (AC) units, fridges, etc.), allowing organisations to replace old appliances with energy efficient ones. This budget can vary from 5,000 USD to more than 10,000 USD.

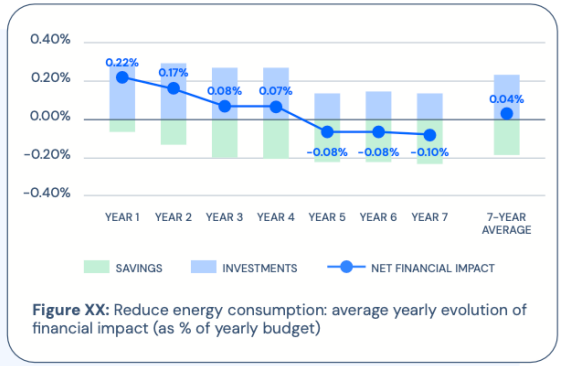


Figure XX: Reduce energy consumption: average yearly evolution of financial impact (as % of yearly budget)

Main differences observed among the Climate Action Accelerator's partner organisations:

- A different average cost per kWh, which is a consequence of both the geographical footprint and the proportion of energy coming from generators vs. coming from the grid.
- The proportion of surface area for which insulation is relevant and cost-effective, i.e. mainly offices and medical warehouses with a sufficiently long tenancy.

Climate-smart health programmes

1. Strengthening resilience and low-carbon development at the level of health service delivery
2. Thematic approaches
3. Reducing consumption by revising medical protocols where relevant
4. Switch to alternative lower carbon, more sustainable medical products

Food aid programmes

1. Prioritize low carbon, sustainable food procurement options
2. Consider modifying food ration composition
3. Encourage local sourcing through aid organisations' own food security programmes

PILLAR 3:
BEING A DRIVER OF CHANGE

1. ENABLING TRANSFORMATION: stewardship, investing in staff, mobilising your community

3. MONITORING AND REPORTING ON PROGRESS

1. ENABLING TRANSFORMATION: stewardship, investing in staff, mobilising your community

2. IMPLEMENTATION PRINCIPLES: project portfolio renewed at a fast pace every 4 to 7 years. Good news for transformation!

#1: Strengthen existing efforts
#2: Optimise opportunities linked to investments, new projects and contracts
#3: Identify and prioritise “hotspots”
#4: Increase buy-in from core programme teams

3. MONITORING AND REPORTING ON PROGRESS

PILLAR 4:
FINANCIAL IMPACT ASSESSMENT

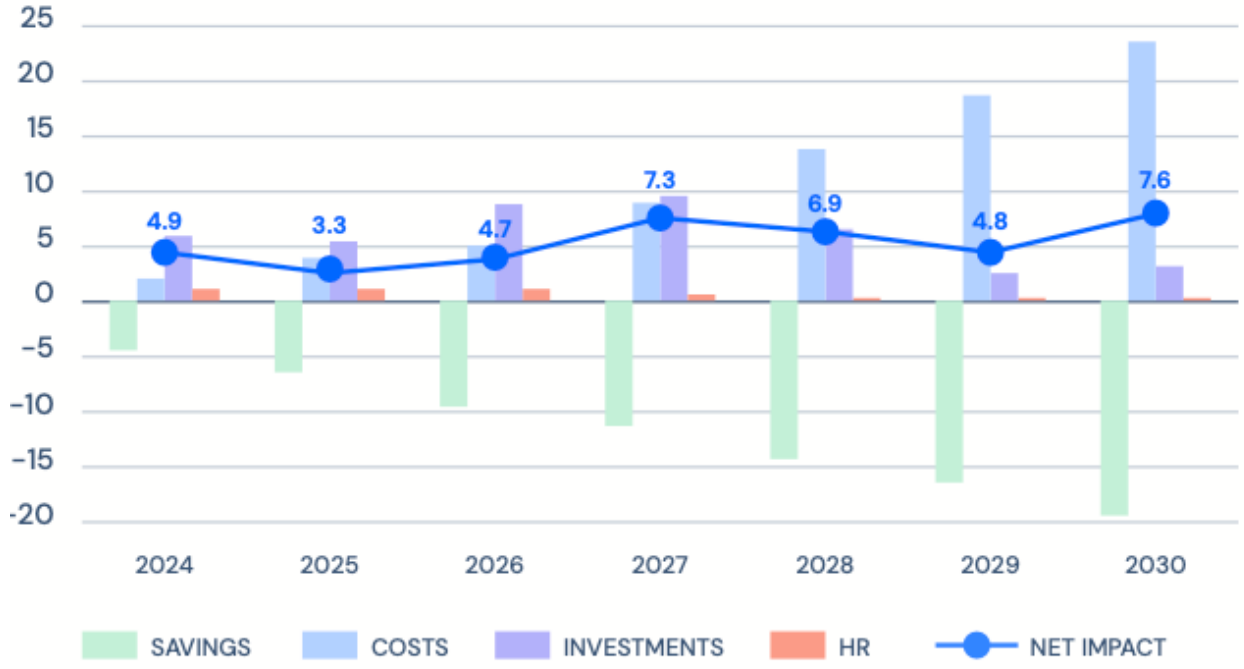
Methodology for assessing the financial impact of climate roadmaps

STEP 1: Establish the nominal and activity growth

STEP 2: Undertake a solution-by-solution financial estimate of costs, savings, and investments

STEP 3: Estimate human resources requirements

STEP 4: Bring all information together



4. Donors & UN

Donors

UNLOCKING ACCESS TO ADEQUATE FUNDING AND SUPPORT FOR ORGANISATIONS

How donors can further contribute to accelerating the climate transformation of the humanitarian sector

Overview of the main challenges

Climate and environment impact reduction remains **insufficiently prioritised**

Lack of financial information (investments, savings & costs)

Important solutions still fall through the cracks of current funding options

Lack of dedicated human resources to lead the transition internally

Lack of alignment with **international standards** and emerging best practice

Donor environmental requirements/guidelines are not sufficiently systematised across donor agencies, contexts, types of organisations and funding mechanisms

Local and regional actors are not sufficiently supported

Overview of main set of recommendations to donors

1. **Operationalise donors' own climate commitments (own operations and programmatic portfolio)**.

2. **Adopt a three-tiered approach** that combines incentives and requirements, financial support, and capacity building.

3. **Adjust current funding frameworks** to allow humanitarian organisations to mainstream climate measures within existing humanitarian funding frameworks.

4. Consider emissions reduction from **humanitarian supply chains** as a top priority for financial and technical support.

5. **Ensure expectations towards UN agencies are consistent** with those placed on international NGOs.

Overview of main set of recommendations to donors

6. Include stronger environmental and climate expectations in UN-managed pool funds such as CBPF, CERF, etc.

7. Facilitate **increased access to alternative funding streams** as a complement to public institutional funding.

8. Provide better financial and technical support to the climate **transition of local and national actors**.

9. Actively advocate for the integration of **ambitious, quantitative approaches** into **key international humanitarian frameworks guiding donors' funding priorities and grant making models**.

OPTIMISING THE TRANSFORMATION POTENTIAL OF UN ENTITIES

UN system & agencies

- Massive potential for tipping the sector
- **Greening the Blue**: align UN system measurement and reporting frameworks on best practice (scope 3, full perimeter)
- Urgently establish that **carbon offsetting** should not be included in carbon accounting, and claims to organisational carbon neutrality
- Carbon offsets quality & price
- **Portfolio of activities**: CVA, food, others
- Enhance **donors**' requirements

4. Recommendations

For all actors

1. **Shape, utilise and promote a more strategic narrative on climate action** in the humanitarian sector
   - Extreme urgency
   - Co-benefits for organisational resilience and adaptation
   - Supporting programmes and social mission

2. **Take urgent action towards reducing greenhouse gas (GHG) emissions from own operations and programmatic portfolio** by 2030, using the Paris Agreement goal of halving emissions by 2030 as a target
   - Emerging best practice

For all actors

3. **Adopt, implement and promote a principles-based approach to emissions reduction**
   - Full perimeter, scope 3, offsetting not counted in carbon accounting
   - Guiding principles / IPCC recommendations, GHG protocol

4. **Enhance individual and collective stewardship steering emissions reduction in the humanitarian sector**
   - Grand Bargain, IASC, Climate Charter, UN system, etc.

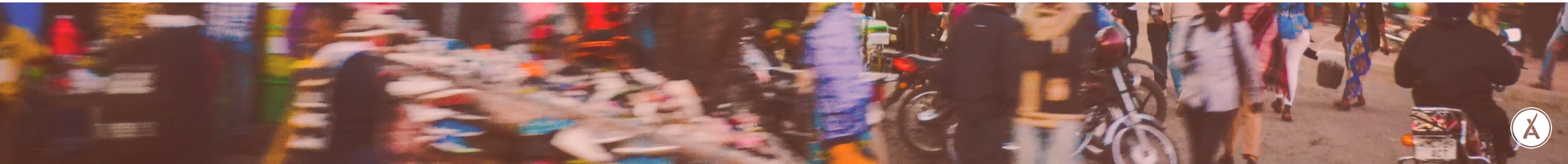
For all actors

5. **Urgently scale-up climate solutions**

   - Focus your action on the "**Top 8 solutions**"
   - Urgently act on energy, freight, and travel (direct CTRL)
   - Invest decisively into procurement solutions, especially for food items but not only

Top 8 solutions

#1. Reduce energy consumption
#2. Switch to renewable energy by default
#3. Fly less and less emissive
#4. Optimise fleet management and drive less emissive
#5. Switch to low-carbon, sustainable alternatives
#6. Privilege low-carbon suppliers and contribute to shape markets
#7. Buy only what is needed
#8. Shift from air freight to maritime, road and train freight



Areas for further exploration and collaboration

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Address the data gap

Consider creating a multi-partner trust fund (MPTF)

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