MULTI-DONOR POLICY LANDSCAPE ANALYSIS

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE MITIGATION

JANUARY 2023

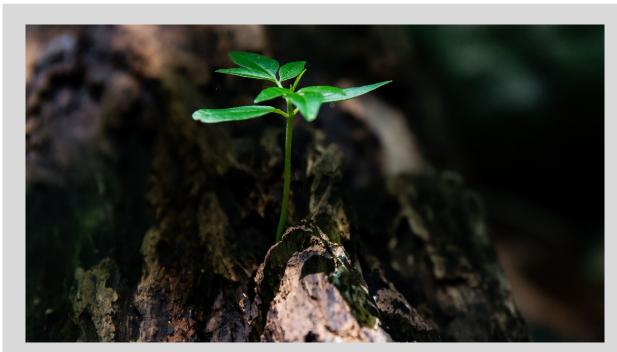


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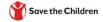






















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ABOUT THE JOINT INITIATIVE

The Joint Initiative for Sustainable Humanitarian Assistance Packaging Waste Management (Joint Initiative) is a project funded by the United States Agency for International Aid (USAID)'s Bureau for Humanitarian Assistance (BHA) bringing together a consortium of 21 humanitarian stakeholders - including donors, nongovernmental organizations (NGOs), members of red cross / red crescent movement and United Nations (UN) agencies - to reduce the negative environmental impact of humanitarian work, particularly by tackling the issue of packaging waste.

The project supports the humanitarian community to address the problem of packaging waste in a holistic way both upstream (exploring how to eliminate certain types of packaging such as single-use plastics, how to reduce packaging, or use sustainable materials) and downstream (looking at opportunities for recycling, recovery and repurposing using a circular economy approach and linking this, where possible, to local livelihoods opportunities).

The Joint Initiative aims at promoting greater coordination and standardization within the humanitarian community on packaging sustainability, and more broadly, procurement. It acts as a platform for knowledge-sharing, by documenting humanitarian organizations' experience, successes and lessons learnt and sharing these through webinars and case studies. The project also aims to provide guidance on issues such as alternatives to petroleum-based plastics in packaging and on options for secondary use of packaging waste (repurposing). Finally, the Joint Initiative aims to advocate for effective solutions to the global waste management crisis and to raise awareness of the link between packaging and climate change.

INTRODUCTION

The humanitarian sector has a lead role to play in global efforts to fight against climate change, not only by supporting communities to prevent and recover from disasters and climate-induced catastrophes, but also ensuring that humanitarian operations "do no harm" in terms of environmental degradation, pollution, and climate change. Recent carbon accounting exercises led by humanitarian organizations have confirmed that supply chains and procurement (including packaging) contribute significantly to their overall environmental footprint. Organizations and donors alike are, therefore, working to reduce the environmental footprint of humanitarian operations, mainstreaming this across the board from programming to procurement.

This has been spurred on partly by the <u>Climate and Environment Charter for Humanitarian Organizations</u>, developed by the International Committee of the Red Cross (ICRC) and International Federation of Red Cross and Red Crescent Societies (IFRC): the charter has been signed by 330 humanitarian organizations to date, and is supported by 11 states, local and regional governments, government agencies and departments. Through it, signatories sign up to seven principles including a commitment to maximize the environmental sustainability of their work and rapidly reduce their greenhouse gas emissions. Eleven francophone humanitarian organizations ² have also signed a <u>Statement of Commitment on Climate</u> resolving to measure their environmental and carbon impacts on a regular basis and set targets to reduce their own carbon footprint.

¹ Canada, Denmark, the European Union, France, Germany, Norway, Spain, Sweden, Switzerland, United Kingdom and the United States of America

² Action Contre la Faim, ACTED, ALIMA, CARE France, Électriciens Sans Frontières, Gret, Groupe URD, Médecins du Monde, Première Urgence Internationale, Secours Islamique France. Solidarités International



A major catalyst has also been the donor community's growing interest in this topic. A <u>Humanitarian aid donors' declaration on climate and environment</u> which acknowledges the link between increasing humanitarian needs and climate change was adopted in March 2022 during the European Humanitarian Forum. Twenty-four European Union (EU) Member State donors, as well as the EU (ECHO) have signed the declaration to date.³ Commitment four of the declaration states that donors will "Foster the creation of the conditions required for international humanitarian organizations and local partners to adopt environmentally friendly practices." This envisages, for example, supporting humanitarian organizations to incorporate climate action into program design and environmental sustainability into procurement processes and waste management, promoting sustainable solutions and circular economy approaches.

AIMS OF THE PRESENT DOCUMENT AND METHODOLOGY

Donors have a crucial role to play in setting expectations and steering the humanitarian sector towards increased environmental sustainability. This multi-donor policy landscape analysis provides an overview of how donors are doing this, by integrating and mainstreaming environmental sustainability and climate change mitigation into their priorities and funding of humanitarian actors. It has two specific aims:

To help the donor community understand how humanitarian donors are addressing issues of environmental sustainability and climate change mitigation. It is hoped that this will stimulate reflection and encourage the development of new policies and strategies whilst also supporting harmonization of efforts amongst donors.

To enable Joint Initiative partners and stakeholders to better understand donors' environmental and climate approaches, priorities, and perspectives so that they may adjust to new ways of working to align with these.

This analysis builds upon and expands an <u>earlier mapping</u> carried out by the Joint Initiative focused on sustainability in the supply chain. It focuses on the way in which environmental sustainability and climate change mitigation have been mainstreamed into humanitarian action. As such, it does not cover the work of donors to support specific climate change adaptation and mitigation programs, to strengthen resilience or disaster risk management.

The methodology used to produce the landscape analysis was a literature review paired with interviews with representatives of certain donor agencies, as well as discussions with humanitarian-implementing organizations. It was decided to focus, primarily on national (state) donors, as well as the EU. Future versions of this analysis may include other donors such as private sector or UN donors. Not all donors contacted responded or wished to be interviewed. Therefore, the present document provides information on what some donors are doing but is not exhaustive or fully representative of the donor community.

³ Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, the EU, Finland, France, Germany, Hungary, Ireland, Italy, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Romania, Slovenia, Spain, Sweden

KEY TAKEAWAYS

- Donors are increasingly requesting humanitarian implementing partners to demonstrate that their projects consider environmental degradation and climate change and taking this into account in the evaluation of project proposals. This trend is set to continue in the future, as more donors endorse both the Climate and Environment Charter and Humanitarian aid donors' declaration.
- There is considerable interest in climate change action, as well as "greening" of logistics and supply chains - particularly among donors such as USAID and ECHO. The latter's minimum environmental requirements and recommendations (and related <u>guidelines</u>), as well as its revised <u>Humanitarian</u> <u>Logistics Policy</u> focus strongly on this.
- Although donor approaches and priorities differ (with some focused more on climate and others on greening of logistics), there is a consensus that the "greening" of humanitarian aid goes beyond carbon footprint and includes waste, biodiversity etc.
- What donors expect and require of their humanitarian implementing partners vary. Some donors
 require commitments, action plans, and strategies to be in place, whilst others simply encourage their
 partners to take environmental sustainability into account. According to some humanitarian actors,
 this leads to a certain level of confusion in terms of what exactly is expected of them by the donor
 community.
- Making humanitarian operations more environmentally sound can incur additional costs, although this may lead to savings in the medium-long term and may require additional human resources or time to be invested in project development, procurement, and monitoring. This represents a challenge for organizations in light of ever-increasing humanitarian needs and a growing funding gap.⁴ Shorter funding cycles further compound this issue, as the long-term financial benefits of investing in durable items and equipment ("return on investment") will not be felt during the lifespan of the project.
- Although a few donors including ECHO and the Germany Federal Foreign Office (see below) provide some guidance to partners on eligibility of costs related to environmental sustainability and climate change mitigation, there is no common donor stance on this. As a result, there is a dialogue gap between humanitarian organizations and the donor community on the issue. In the absence of clear guidance, organizations may be reluctant to submit budgets including, for example, more environmentally sustainable items and equipment, which have higher up-front costs. On the other hand, certain donors have implied that there are insufficient requests from organizations for additional funding for greening.
- Of note, when this issue was discussed at the <u>High-Level Meeting of the Good Humanitarian Donorship Initiative</u> in December 2021, one donor expressed that it is "now generally allowed by donors to include more expensive but more environmentally friendly products and programmes" and that increased costs should "not be an excuse" for humanitarian organizations to not explore greener solutions. Although this may not be representative of the whole donor community, it demonstrates the need for strengthened dialogue among humanitarian stakeholders.
- The need to provide capacity-building support to humanitarian organizations to integrate environmental sustainability and climate change mitigation throughout their operations issues is recognized by some donors. ECHO has an eLearning module on Greening Humanitarian Aid and

⁴ Communication from the Commission to the European Parliament and the Council on the EU's humanitarian action: New Challenges, Same Principles

organized related training with partners. ECHO plans, furthermore, to open help desks so that technical advisors can support the humanitarian sector in the implementation of the Climate Charter. The Swedish International Development Agency (Sida) has recently released an <u>E-learning course</u> for its staff and partners entitled "Sida's strategic approach to Environment and Climate, the EMS."

- The analysis shows the importance of reaching a balance between adopting a generic approach to environmental sustainability issues and providing specific, prescriptive guidance to implementing partners, for whom these issues are recent, and internal capacity might be weak. Donors have acknowledged that it may not be possible for humanitarian partners to focus on all aspects of environmental sustainability and climate change mitigation ("trade-offs" between different environmental aspects may be necessary) and an incremental approach is the norm.⁵
- Donor agencies often apply different approaches and requirements to UN agencies and international nongovernmental organizations (INGOs) regarding environmental sustainability, particularly regarding procurement, logistics, and supply chains. This is because the funding they provide to UN agencies is often pooled, multi-donor rather than earmarked, project-specific funding, which makes it more difficult to track.
- Interviews showed that there is a gap between the policies and approaches in theory and their practical application by partners in the field. Verifying how partners' commitments have been translated into reality and monitoring results is, therefore, challenging.
- Interviews also revealed that, within some donor agencies, environmental, climate and sustainable supply chain policies and approaches are led by individuals meaning that initiatives created by a specific staff member may be deprioritized when s/he leaves the organization. Elsewhere, these questions might be handled by specific departments and units. Ideally a whole-of-organization approach is best, where environmental and sustainability issues are mainstreamed and given organizational-level priority.
- Finally, donor's requirements or requests for humanitarian partners at this stage focus on environmental sustainability and climate change mitigation at the individual project level. However, there is recognition in both the humanitarian and donor community that funding is required to help make organization-wide systemic changes. This is envisaged in ECHO's long-term environmental approach, through the proposed future certification of humanitarian partners, for example (see below).

DONOR COORDINATION

There are currently four donor coordination platform or working groups addressing environmental sustainability and climate change mitigation in humanitarian funding in in somewhat connected ways.

- I. An informal donor group on greening humanitarian aid, which is co-facilitated by the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO), BHA and the Swiss Agency for Development and Cooperation (SDC)⁶ and meets at least twice a year. The next meeting will take place on 8th February 2023.
- 2. A formal working group was established to follow up on progress among signatories of the <u>Humanitarian Aid Donors' Declaration on Climate and Environment</u>. Although the declaration is non-binding, DG ECHO and France (its co-sponsors) will follow up on its concrete implementation,

⁵ High-Level Meeting of the Good Humanitarian Donorship Initiative 16th December 2021, summary of co-chairs (Belgium and Finland).

⁶ This group has met three times since its creation. The main objective is to exchange practices and approaches in an informal manner.



and the monitoring of the declaration will be an agenda point at the 2023 European Humanitarian Forum. Twenty-four European member states, as well as the EU itself have endorsed the declaration to date.

- 3. A supporters group constituted and led by the Climate Charter team (ICRC, IFRC and the International Council of Voluntary Agencies) to follow up on the implementation of Climate and Environment Charter for Humanitarian Organizations, and what it means for donors. Eleven states/regional governments have officially endorsed the charter so far.
- 4. The Good Humanitarian Donorship (GHD) initiative currently does not address greening of humanitarian aid or climate in its 24 principles, but climate change and greening of aid were discussed during the July to December 2021 semester.

DONOR-SPECIFIC APPROACHES

CANADA

GLOBAL AFFAIRS CANADA (GAC)

GAC manages Canada's international development and humanitarian assistance and has been committed to reducing the environmental footprint of humanitarian work for many years. GAC requires applicants for funding to carry out an environmental analysis for all proposals. NGOs must explain how their environmental and climate change policies guide their analysis and risk mitigation strategies and how the environmental risks and opportunities will be mitigated or seized, respectively.

GAC has put in place a systematic screening tool that is part of the Environmental Integration Process, and it applies this to all development and humanitarian initiatives it funds. Proposals are, therefore, reviewed by environmental specialists and training sessions are organized to ensure GAC project agents know what to look for in terms of environmental sustainability and to the importance of engaging in policy dialogue with the partners on these issues. Sustainable procurement and waste management are among the issues that are addressed (along with others such as soil contamination, wastewater, and biodiversity).

GAC carries out environmental due diligence for all initiatives: it checks that initiatives are unlikely to have significant negative environmental effects, ("do not harm") and maximizes environmental opportunities to "do good." Carbon offset credits are now considered an eligible expense for initiatives funded by GAC, and the department is currently working on implementation guidance and criteria for these credits. Canada began supporting the Climate and Environment Charter for Humanitarian Organizations in December 2022.

DENMARK

MINISTRY OF FOREIGN AFFAIRS OF DENMARK (MFA)

The MFA is responsible for managing Denmark's development cooperation and humanitarian assistance. Denmark has high ambitions regarding climate-related actions, which are described in detail in the Danish Global Climate Action Strategy, A Green and Sustainable World. In addition, one of two main pillars in the current strategy for development cooperation, The World We Share, is "to lead the fight to stop climate change and restore balance to the planet." This includes strengthening resilience to climate change with a focus on poor and vulnerable countries and people.

As part of the development strategy, Denmark aims at investing heavily in climate adaptation, while also supporting nature, the environment and biodiversity. It is the ambition of the Danish government, that at least 30% of the Danish development assistance should be "green" by 2023, of which 25% should be climate-related and 5% should be environment-related.

The MFA is gradually introducing new demands that require partners (from civil society to multilaterals) to focus specifically on their carbon and environmental footprints and their social responsibility. This includes the promotion of greener and more sustainable procurement. Additionally, as part of the MFA's strategic partnerships with Danish civil society organizations (2022–2025), it is now a requirement that partners have a policy on their environmental footprint in place.

Denmark supported the Climate and Environment Charter for Humanitarian Organizations in May 2022 and has also signed the Humanitarian aid donors' declaration on climate and environment.

EUROPEAN UNION

DG ECHO

The EU has supported the Climate and Environment Charter for Humanitarian Organizations since April 2022 and has also signed the Humanitarian aid donors' declaration on climate and environment.

With regards to integrating environmental sustainability and climate change mitigation into humanitarian assistance, ECHO is one of the most advanced of humanitarian donors (regarding its own long-term strategy and its humanitarian implementing partners). ECHO published its <u>approach to reducing the environmental footprint of humanitarian aid in 2022</u>. The approach states that as an overarching principle, negative impacts on the environment related to humanitarian response should be avoided, and where this is not directly possible, mitigating measures to reduce the potential negative environmental impact⁷ should be implemented, applying a precautionary approach.

ECHO has concrete <u>plans</u> for the roll out of its environmental strategy, using an incremental approach, which is threefold:

- I. Greening of ECHO's policies: this is already underway with the publication of the new <u>humanitarian logistics policy</u>, which aims, among other things, to support the greening of humanitarian aid. Launched in March 2022, it aims to support a paradigm shift in humanitarian logistics, to deliver greater efficiency, effectiveness but also greener humanitarian aid. The policy encourages coordination among stakeholders, shared initiatives and puts forward a strategic approach to humanitarian logistics. DG ECHO's new Cash Policy, also integrates environmental considerations.
- 2. Publishing of environmental requirements and recommendations. At project level, partners are required to answer environmental questions in the Single Form⁸ and each proposal is screened using the Resilience Marker⁹, answers weigh into the appraisal of projects but do not yet determine their

⁷ Environmental impact can be global (e.g., CO2 emissions of fleet); local (e.g., local plastic pollution or deforestation); direct (e.g., groundwater pollution); indirect (e.g., suppliers' manufacturing practices); short- or long-term; cross-sectoral, as is the case for logistics, the supply chain and cash transfer programs, or they can be sector-specific (Shelter, WASH, Health, etc.).

⁸ The Single Form is the document that ECHO partners use for the submission of proposals as well as for reporting.

⁹ The Resilience Marker is a tool to assess to what extent humanitarian actions funded by DG ECHO integrate resilience considerations by accounting and addressing risks related to climate change, environmental degradation, natural and biological hazards, conflict and epidemics to the extent relevant to humanitarian action.

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eligibility for funding. The conditions for becoming a partner remain unchanged, but more weight will be given to partners taking environmental safeguards into account (at both headquarters and at the field level). Guidance on the operationalization of the environmental requirements and recommendations has recently been issued. Plans for a "full ambition" stage include partners having to conduct environmental impact assessments of their planned projects / programs and introduce mitigation measures for potential impacts (local and global). Partners would have to include this in project/program design and provide details in the Single Form to be eligible for funding. They would also be required to respond to cross-cutting environmental requirements and calculate carbon emissions for global programs and projects, reducing them to the extent possible, and offsetting the remainder. 10 Finally, in the future, ECHO may require its certified partners "to have in place environmental policies or environmental management systems of their own."11 This is the ambition, however, before moving to that stage, an evaluation will be undertaken to assess the capacity of the humanitarian sector to move to this higher ambition.

3. Greening of the ECHO field network and headquarters in Brussels. By 2024, ECHO will "strive to become carbon neutral by 2030."

Spotlight on DG ECHO's Environmental Requirements and Recommendations

Categorization

Officially launched in March 2022, ECHO's environmental requirements and recommendations include three categories.

- Principles. Principles provide general guidance to partners and establish a framework. They center around three themes: greenhouse gas emission mitigation, waste management, and supply chain and material efficiency.
- Recommendations. Recommendations are actions that are looked upon favorably but that are
- Requirements. Requirements are criteria that partners need to address. These will become mandatory in 2023.

The cost of "greening"

In its recently launched guidance, ECHO refers to the potential additional budget required to meet the environmental requirements, whilst recognizing that this is not systematically the case and that often increased sustainability does not cost more, but implies, rather "new way of working and a different approach to planning interventions." Where additional budget is required, ECHO will give priority to helping to meet the cost implementing its environmental requirements (rather than recommendations).

¹⁰ Through certified carbon offsetting programs.

¹¹ See pg. 6 "DG ECHO's approach to reducing the environmental footprint of humanitarian aid"

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Eligibility of direct costs

- Costs incurred as a direct result of implementing the requirements will be eligible upon condition that the environmental benefit can be demonstrated.
- Costs relating to general technical expertise or capacity-building are generally not eligible as direct costs: an exception would where a particular skill set is required for an action, which is eligible as a direct cost (e.g., technical expertise for installing solar panels).

Additional costs

ECHO seeks to avoid "penalizing" projects that may cost more because of environmental sustainability measures. It is, therefore, piloting a flexible approach and applying a "10% more expensive" cap on projects, which include measures that provide an environmental benefit yet are costlier and do not lead to financial savings over time (e.g., implementation of waste management systems, purchase of organic fertilizer or distribution of cooking fuel).

Return on investment

Project evaluation will include questions such as lifespan, adequacy, including technical specifications, and their impact on the environment, considering also the potential future costs that an action could entail. For example, purchasing more durable items may be costlier in the short term, but given that they are less likely to be repaired or replaced, this will lead to savings in the long term.

Overall, partners are encouraged to incorporate environmental sustainability and the fight against climate change across the project cycle, and to justify additional costs, linking these clearly to the requirements and demonstrating environmental benefit, from the proposal stage onwards.

FINLAND

FINNISH MINISTRY FOR FOREIGN AFFAIRS

Finland's humanitarian assistance (124 million EUR in 2022) is relatively low in comparison to other Nordic countries (Sweden 460 million EUR and Norway 490 million EUR¹²). Its humanitarian assistance is mostly channeled through UN organizations or Red Cross organizations both for core funding and specific operations, only 12.5% of its humanitarian funding goes to Finnish NGOs.

In 2019, Finland published a climate smart foreign policy, which aims to mainstream climate change into all levels of foreign policy and to promote a global transition towards low emissions and climate resilient societies (although it is not clear if this applies to humanitarian operations). There is a related action plan, which can be found here.

Climate change actions have to be incorporated into all aspects of public policy, including foreign policy. The Ministry for Foreign Affairs has established a new Unit for Climate and Environmental Diplomacy. The unit is in charge of the implementation of Finland's strategy for climate foreign policy. In practice this means, for example, participating in international discussions, processes and negotiations and

¹² www.donortracker.org

advocating for progress on Finland's goals. The unit also manages Finland's climate funding and represents Finland in all major climate and environmental funds, such as the Green Climate Fund (GCF).

"Climate change, biodiversity and sustainable management and use of natural resources" is one of the five thematic priority areas of <u>Finland's development policy</u>. Furthermore, climate resilience, low emission development, and protection of the environment - with an emphasis on safeguarding biodiversity - are among the cross-cutting objectives of Finland's development policy and cooperation. The Ministry for Foreign Affairs of Finland also has its own internal Environmental Program.

Finally, Finland has signed the Humanitarian aid donors' declaration on climate and environment and is cochair of the Good Humanitarian Donorship initiative along with Belgium. The co-chairs have set <u>five priorities</u> for 2021–2023, of which the first aims to facilitate discussions on broad and systemic issues that have or may have impact on the humanitarian system and donorship, citing **climate change** amongst others. Greening of aid was one of two key themes in the 2021 high-level meeting.

FRANCE

For France's Presidency of the Council of the European Union (I January to 30 June 2022), it announced that it would prioritize "better incorporation of the impact of climate change and environmental issues into humanitarian action" and would organize the first ever European Humanitarian Forum. ¹³ France was instrumental in the development of the Humanitarian aid donors' declaration on climate and environment and is currently developing a new humanitarian strategy, ¹⁴ which will have a strong focus on climate, as well as environmentally sustainable logistics and waste management.

CRISIS AND SUPPORT CENTRE (CENTRE DE CRISES ET SOUTIEN/CDCS), MINISTRY OF EUROPEAN AND FOREIGN AFFAIRS

The <u>CDCS</u> was created in 2008 to respond to the increase in crises across the world. It coordinates the French government's response to emergency humanitarian aid operations ensuring relations with other humanitarian actors. Through its Humanitarian Emergency Fund, CDCS provides emergency assistance in cash or in kind. Its humanitarian partners include NGOs, as well as UN and European bodies and crisis centers from other countries.

CDCS uses a "climate marker," aligned with ECHO's resilience marker, to evaluate funding applications to the Humanitarian Emergency Fund. In funding application forms, humanitarian organizations are requested to demonstrate how several cross-cutting themes (including the environment) have been considered in the development of their projects. In the future, CDCS plans to expand on this, requiring partners to include waste management concerns into their project proposals, and it is beginning to exchange with relevant stakeholders to develop tools and guidance for its humanitarian partners. In general, CDCS will try to encourage rather than oblige its partners to take environmental/climate issues into account, and reflection is also underway on how to monitor increased sustainability in partners' work.

¹³ "Humanitarian Aid", Page 21, Program of the Presidency

¹⁴ This will be a four-year strategy and will come out in the first half of 2023.



GERMANY

GERMANY FEDERAL FOREIGN OFFICE (GFFO)

Since 2016, Germany has been the second-largest donor of humanitarian aid. <u>GFFO's humanitarian strategy</u> links humanitarian assistance to environmental and climate policy. GFFO is in continuous dialogue with implementing organizations - through the <u>Humanitarian Assistance Coordinating Committee</u> (a forum for discussion and coordination between the German government, humanitarian NGOs, and other humanitarian assistance stakeholders)—to move decarbonization efforts forward.

GFFO currently approves the reimbursement of partners' offsetting costs (for direct emissions only). GFFO also funds a project to develop roadmaps to help humanitarian organizations and local partners reduce their carbon emissions. ¹⁵ The issue of conflicting priorities, e.g., where environmental mainstreaming of environmental considerations would lead to higher project-related costs (meaning that fewer beneficiaries can be reached) is being considered as part of a wider discussion on possible standardization or environmental requirements. Currently, GFFO is exploring cost efficiency and return on investment in environmental sustainability, as well as the possibility to also use climate funding to finance efforts for the greening of humanitarian aid. GFFO endorsed the Climate and Environment Charter for Humanitarian Organizations in May 2022 and has also signed the Humanitarian aid donors' declaration on climate and the environment.

LUXEMBOURG

MINISTRY OF FOREIGN AND EUROPEAN AFFAIRS

Luxembourg's humanitarian budget has significantly evolved in the past ten years, doubling since 2010 to reach more than 60 million EUR in 2021 and averaging 12% to 15% of the country's total Official Development Aid (ODA). As of 2022, Luxembourg will seek to establish a fixed share of 15% dedicated to the humanitarian budget of its overall ODA. Luxembourg is also committed to strengthening its support for international climate finance, in addition to its ODA.

Luxembourg recently launched its <u>Humanitarian Action Strategy</u>, which acknowledges, in the preface, the importance of conforming to the *do no harm* principle, including "to the environment" and of addressing humanitarian needs in a sustainable manner. "Greening of humanitarian action" is one of the cross-cutting priorities of the strategy and will be streamlined into Luxembourg's humanitarian action, helping to guide its commitments and its engagement with partners. As part of this, Luxembourg's aim is to decrease the environmental footprint of its humanitarian action, particularly through reduced greenhouse gas emissions and waste.

Luxembourg's humanitarian partners have always been asked to include information at the proposal stage on how the project will affect the environment, but more requirements or guidance on this have not yet been developed. Luxembourg wishes to balance its positions as a flexible humanitarian donor with the need to ensure that its partners take environmental and climate issues into account in their interventions. Interviews with representatives of Luxembourg's Ministry of Foreign and European Affairs recognized the challenges involved in following up with partners on the implementation of its different policies and

¹⁵ This project involves the development of two generic, open-source roadmaps (local and international) in collaboration with the Carbon Action Accelerator.

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strategies and in evaluating their impacts. This is compounded by lack of sufficient resources within the ministry.

Luxembourg has signed the Humanitarian aid donors' declaration on climate and environment, its humanitarian action supports the Climate and Environment Charter for Humanitarian Organizations. As such, it seeks to raise awareness of the charter among its partners and national NGOs.

The Humanitarian Action Strategy is in line with:

- Luxembourg's development work outlined in the General Development Cooperation Strategy (environmental sustainability is a cross-cutting priority).
- The Development Cooperation Strategy on Environment and Climate Change 2021–2030 (available in French). This echoes Luxembourg's commitment to strengthen the consideration of environmental and climate concerns in its humanitarian interventions with a particular focus on natural resources in beneficiary countries, and to ensure that these dimensions are integrated into humanitarian responses (throughout the full project cycle from proposal development to implementation and monitoring and evaluation).

THE NETHERLANDS

DUTCH MINISTRY OF FOREIGN AFFAIRS (MFA)

The Dutch MFA funds humanitarian assistance through UN agencies, Red Cross, and Dutch relief organizations gathered under the **Dutch Relief Alliance (DRA)**. MFA's humanitarian budget constitutes approximately 6% of its overall overseas budget and has been rising (387.5 million EUR in 2019 and 465 million EUR in 2022, largely because of the Ukraine response). However, this is relatively low in comparison to other countries (Germany 10%; EU 12% Canada 17%).16

The greening of humanitarian assistance and carbon footprint is not currently the most pressing priority of Dutch humanitarian assistance. The focus is more on quality and localization (as per the 2018 aid policy), and there is a fear that humanitarian partners (especially when providing humanitarian assistance in contexts of conflict) will not be able to comply with environmental requirements.

Notwithstanding, The Netherlands recently signed the Humanitarian aid donors' declaration on climate and environment, and support for the Climate and Environment Charter for Humanitarian Organizations is also under discussion. In terms of funding of its implementing partners, MFA is planning to integrate environmental sustainability in existing risk management tools.

NORWAY

NORWEGIAN MINISTRY OF FOREIGN AFFAIRS (NMFA)

The greening of humanitarian action is a long-standing priority for NMFA (it was the first humanitarian donor to address the need to reduce the environmental footprint of humanitarian assistance). In its 2018 humanitarian strategy, NMFA explicitly mentioned the need to reduce the negative impact of humanitarian

¹⁶ Donor tracker https://donortracker.org/country/netherlands

assistance and its willingness to support Norway's partners to choose sustainable and more environmentally friendly solutions for their humanitarian operations.

Norway was also one of the first countries to endorse the Climate and Environment Charter for Humanitarian Organizations in December 2021. Norway has also signed the Humanitarian aid donors' declaration on climate and the environment. In practice, NMFA has a flexible approach to its humanitarian partnerships, providing partners with mostly non-earmarked support. While it offers opportunities for partners to consider climate and environmental issues, it does not require organizations to set high reduction targets.

SPAIN

SPANISH AGENCY FOR INTERNATIONAL DEVELOPMENT COOPERATION (AECID)

AECID is a relatively small humanitarian donor¹⁷ and manages humanitarian work through the <u>Office of Humanitarian Action</u>, which constitutes approximately 10% of AECID's overall foreign assistance. In 2020, AECID published a comprehensive <u>Guide to Mainstreaming the Environment in Humanitarian Action and Emergencies and Humanitarian Emergencies</u> (in Spanish) aimed at supporting staff and partners to reduce negative environmental and carbon impacts of humanitarian operations and to promote positive impacts. This was preceded by AECID's Guide for Mainstreaming the Environment and Climate Change, published in 2015.

AECID is one of the only donors to have developed detailed guidance on environmental and humanitarian action. It introduces key concepts regarding the relationship between the environment and humanitarian action; provides suggestions, good practices, and tools; and tries to balance competing issues (e.g., the need for rapidity in humanitarian action versus the need to consider environmental aspects, which may take longer). The guide is comprehensive and touches upon general environmental impacts of humanitarian assistance (water pollution, waste), as well as carbon impacts. With regards to the latter, particular attention is paid to procurement (for example, partners are encouraged to include environmental aspects in the evaluation of tenders, 10% of the overall score is suggested to start), transport and energy practices. ¹⁸

On climate change mitigation, AECID proposes key steps for humanitarian actors to calculate its carbon footprint, establish a reduction plan once the carbon footprint is known and the main sources of emissions are identified, and engage in carbon-offsetting as a last resort (although there is no mention of direct/indirect or on mechanisms/pricing).

The Guide to Mainstreaming the Environment in Humanitarian Action does not impose requirements or obligations on AECID's humanitarian partners, but rather lists resources to encourage and strengthen the consideration of the environment in their intervention, relying on their voluntary participation. Chapter 4, for example, describes the necessary steps and tools required to integrate environmental considerations into every phase of the project cycle, but this appears to be optional for partners. However, in AECID's 2022 request for funding for humanitarian emergencies template partners are requested to demonstrate clearly in the project log frame how the project will ensure environmental protection and climate change mitigation measures. In the template, partners are also asked to supply other supporting documents, such

 $^{^{17}}$ E.g., 69 million USD in 2019 as compared to 490 million USD for Sweden

¹⁸ See pgs. 116-122 <u>Guide to Mainstreaming the Environment in Humanitarian Action and Emergencies and Humanitarian Emergencies</u>



as proof of a strategy outlining the organization's ethical principles. Partners are also asked for a brief description of their projects' environmental (as well as gender) strategy and to demonstrate how implementation and management of the project will ensure that environmental considerations are integrated into the project.

With regards to donor coordination, Spain began to support the Climate and Environment Charter for Humanitarian Organizations in June 2022 and has signed the Humanitarian aid donors' declaration on climate and environment. Represented by AECID's humanitarian branch, it has recently joined the informal environmental donor group, which is co-facilitated by ECHO, BHA, and SDC.

More generally, in its strategy for international cooperation (<u>AECID Strategy 2019–2026</u>), links between the environment and humanitarian action are identified as issues to be considered, i.e., environmental damage resulting from relief operations, environmental damage as a result of crises, and climate change as a factor that contributes to humanitarian crises.

SWEDEN

SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (SIDA)

Environmental and climate issues have been a priority for Sida for several years as a prerequisite for reducing poverty. In 2019, 19 % of Sida's total aid was earmarked for climate and the environment. Although Sida's traditional focus has been on environmental sustainability, which to date has been mostly mainstreamed into its development work, this is now changing as Sida's moves into humanitarian interventions, with the recent appointment of an environmental focal point for Sida's humanitarian work. The agency's 2021–2025 Humanitarian Strategy also mentions the environmental footprint of aid as a cross-cutting issue, focused on the environmental sustainability of projects.¹⁹

In terms of integrating environmental and climate change issues into the funding of partners working with Sida, the agency applies the same requirements for those working on longer-term development cooperation and humanitarian assistance, although the operational approach may differ.

Sida updated its <u>step-by-step guide for environmental integration</u> in June 2022 to assist agency staff in the assessment and integration of the environment into all Sida-funded projects and programs. The guide stresses the need to actively identify the following, through the environmental assessment:

- Opportunities for a positive impact from the contribution on the environment.
- Possible negative impacts and risks from the contribution that can harm the environment, including
 ways to avoid and mitigate such harmful impacts.
- Risks from environmental degradation, climate change, and the loss of biodiversity on the sustainability
 of the contribution including ways to manage such risks.

All Sida-financed projects and programs must be based on an environmental assessment, which identifies entry points for integration of environment, climate change, and biodiversity. Partners are required to conduct an environmental assessment and submit it as part of their proposals: Sida has developed a guide

¹⁹ "Activities will contribute to humanitarian actors conducting relevant environmental assessments and mainstreaming environmental and climate considerations into analysis, implementation and monitoring to reduce their adverse climate and environmental impacts."

for partners on how to conduct an environmental assessment along with further resources as part of a "Green Toolbox."²⁰

Elsewhere, Sida updated its <u>climate and environment policy</u> in May 2022, which sets out its ambitions for both the projects that it funds (indirect impact) and its own footprint (direct impact). Sida commits to taking responsibility for its actions and reducing its environmental impacts through an environmental management system for the agency and its partners. It is currently working on identifying environmental goals and targets for both the agency and its partners. Sida is also carrying out a portfolio analysis of its strategic humanitarian partners and their approaches to the integration environment and climate in humanitarian responses. This analysis will be finalized in January 2023 and will feed into dialogue and requirements with partners.

According to Swedish law, Swedish governmental agencies are required to have an environmental management system (EMS) in place, and this has been the case for Sida since 2018. Furthermore, a short e-learning course has recently been published, aimed at increasing awareness of the EMS process among Sida staff and partners, who are also encouraged to have an EMS in place.

Sweden supports the Climate and Environment Charter for Humanitarian Organizations and has also signed the Humanitarian aid donors' declaration on climate and the environment.

SWITZERLAND

SDC

SDC is committed to working on fighting climate change (<u>Strategy 2021–2024</u>), and has made the environment and climate priority issues. SDC was the first donor to support the Climate and Environment Charter for Humanitarian Organizations.

SDC's approach to encourage humanitarian partners to integrate environmental sustainability and climate action into its work is a flexible one. Partners are encouraged to "green" their practices and are able to screen their own projects from an environmental perspective using the Climate, Environment and Disaster Risk Reduction Integration Guidance (CEDRIG) tool.²¹ SDC's Global Program for Climate Change and Environment also hosts the Climate Change and Environment (CC&E) Network, bringing together approximately 300 members including development practitioners, organizations, and SDC staff working on climate change and environmental issues.

Key humanitarian implementing partners for SDC include the ICRC, World Food Programme, United Nations High Commissioner for Refugees, United Nations Relief and Works Agency for Palestine Refugees in the Near East, and United Nations Office for the Coordination of Humanitarian Affairs, as well as NGOs such as the Swiss Red Cross and Caritas. In terms of requests for funding for humanitarian action, proposals are analyzed by technical working groups that encourage organizations to strengthen the environmental sustainability of their processes and limit the environmental footprint of their programs. However, requests for funding by UN agencies are not analyzed in the same way, given that SDC contributes to their multi-donor programs.

²⁰ The Green Toolbox includes tools and documents to support the assessment and integration of the environment and climate change perspective in Sida's operations.

²¹ CEDRIG is a tool aimed at supporting partners to systematically integrate climate, environment, and disaster risk reduction (DRR) into development cooperation and humanitarian aid to enhance the overall resilience of systems and communities.



Overall, there is a willingness to harmonize practices internally and with other donors, and SDC is coleading the informal donor group on greening humanitarian aid with USAID and DG ECHO. Regarding its own operations, SDC applies UN and IFRC/ICRC green specifications in its internal procurement activities.

UNITED STATES OF AMERICA

USAID/BHA

Over the past few years, BHA's environmental focus has been on biodiversity, sustainability in procurement practices, and reducing packaging waste generated in humanitarian operations. BHA has funded the Joint Initiative since March 2019, as well as the Global Logistics Cluster's <u>WREC</u> project, looking at environmental sustainability and waste issues - beyond packaging - in humanitarian logistics. BHA has also contributed significantly to the creation of the NEAT+ tool.

Given the momentum provided by the Biden administration, USAID has recently begun to focus more on climate issues, and in April 2022 published its <u>Climate Strategy 2022-2030</u>. The strategy has two main objectives, as well as a special objective entitled "Doing Our Part," which is particularly relevant to humanitarian partners as it sets out to strengthen operations and approaches to programming to address climate change and further climate justice within USAID and our partner organizations.²²

In addition to action to address the climate crisis, USAID commits to supporting its implementing partners as they undertake similar efforts. This could include actions such as reducing USAID's operational greenhouse gas emissions through increased energy efficiency of infrastructure, fleet, and more carbon-conscious procurement. In terms of applications for funding, BHA generally requires its humanitarian implementing partners to carry out environmental assessments under 22 CFR 216 Agency Environmental Procedures, ²³ which define USAID's pre-implementation environmental impact assessment process. However, most emergency programming is exempt from environmental review.²⁴

In November 2022, BHA updated its <u>Emergency Application Guidelines</u>, which include environmental considerations in various sections (e.g., food security, agriculture, pesticides) and place strong emphasis on sustainable supply chains, with requirements to this effect. For example, the "Supply Chain Requirements" section stipulates that partners requesting over 50,000 USD for procurement must submit a procurement plan that includes information on how sustainability will be integrated throughout the supply chain. This includes measures such as

- Implementing supply chain practices to reduce the social, environmental, and economic impacts of procurement, transport, and storage. These practices may include sourcing responsibly and including sustainability as an evaluation criterion when selecting vendors.
- Reducing packaging or substituting other environmentally friendly packaging options for commodities that involve substantial single-use primary, secondary, or tertiary plastic packaging.
- Using sustainable warehouse practices (e.g., rainwater catchment, solar panels, recycling, natural

²² See page 36 of the Climate Strategy

²³ 22 CFR 216 ("Reg. 216") is the US federal regulation defining USAID's environmental impact assessment process.

²⁴ Exemption criteria are listed in this document: programs implemented in response to a disaster, which must be implemented immediately to address urgent relief needs and last no longer than 18 months are exempt.



ventilation, updated air conditioners) and a waste management plan to reduce your environmental impact.

- Taking measures to select transportation mechanisms and types of vehicles and generators with more
 efficient carbon emission.
- Disposing of aging vehicles and generators (more than eight-ten years old).
- Reducing or replacing generators with sustainable energy sources where possible.

To support partners in meeting these requirements, the <u>Guidance on Environmental Sustainability in Humanitarian Supply Chain</u> was developed by the Supply Chain Management Division. It recommends "concrete measures that humanitarian organizations can take to make their logistics and supply infrastructure and practices more environmentally sustainable." It also provides tools for partners to measure their increases in sustainability.

The United States has supported the <u>Climate and Environment Charter for Humanitarian Organizations</u> since December 2021, and in these guidelines, humanitarian partners are encouraged to measure and reduce the carbon footprint of their operations. With regards to logistics and the supply chain, suggestions center around five themes: the production of relief items; packaging; end-of-life waste management with priority being given to circular economy approaches; and sustainable fleet and facilities.

Finally, BHA is co-leading the informal donor group on greening humanitarian aid with SDC and DG ECHO.

This document was produced by the Joint Initiative for Sustainable Humanitarian Assistance Packaging Waste Management.

If you are a donor and wish to find out more or contribute to this document, please get in touch with <u>Joint.Initiative@icf.com</u>.



















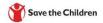




























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