

CLIMATE AND ENVIRONMENT TRANSITION FUND

ACCELERATING OUR TRANSITION TOWARDS GREENER AND CLIMATE-SMART OPERATIONS

2022 REPORT



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INTRODUCTION

60% of the countries considered most vulnerable to climate change by the ND-Gain Index¹ are mired in conflict. They therefore face the devastating consequences of armed conflict compounded with the effects of climate change and environmental degradation. The International Committee of the Red Cross (ICRC) has been protecting and assisting people affected by war and other violence for over 160 years. Now that the changing climate is creating a humanitarian crisis – putting ever more people in desperate situations – we have a duty to prevent, prepare for and respond to climate and environmental risks and impacts in our work. We need to rapidly transition to a climate-smart, adaptable and more sustainable organization. The ICRC's Climate and Environment Transition Fund is key to achieving that transition.

The Fund, launched in early 2022, is a multi-year financing mechanism designed to contribute to two objectives.



Reduce our environmental footprint more quickly, use cleaner energy, and be more energy-efficient and sustainable



Adapt our humanitarian response to climate and environmental risks and integrate those adaptations into all ICRC programmes

Build affected people's resilience, i.e. their ability to cope with climate and environmental shocks

These objectives are aligned with the commitments and action plan² that the ICRC adopted under the Climate and Environment Charter for Humanitarian Organizations,³ namely to:

- halve carbon emissions by 2030 compared to 2018 levels
- factor climate and environmental risks into all programmes by 2025.

This report reviews the first year of the Fund's activities and implementation, which focused primarily on Objective 1, reducing the ICRC's environmental footprint more quickly. Core activities related to Objective 2 started this year and will be reviewed in next year's report.

¹ ICRC, When Rain Turns to Dust: Understanding and Responding to the Combined Impact of Armed Conflicts and the Climate and Environment Crisis on People's Lives, 2020: https://shop.icrc.org/when-rain-turns-to-dust-pdf-en.html.

² ICRC, Implementing the Climate and Environment Charter for Humanitarian Organizations: The ICRC's Plan of Action 2021–2024+, 2022: https://www.icrc.org/fr/publication/4604-implementing-climate-and-environment-charter-humanitarian-organizations-icrcs-plan.

³ The ICRC and the International Federation of Red Cross and Red Crescent Societies initiated and co-led development of the Climate and Environment Charter for Humanitarian Organizations: https://www.climate-charter.org/.

2022 HIGHLIGHTS



43% implementation rate⁴



Began designing the ICRC's environmental and decarbonization roadmap



Completed 17 solar system feasibility studies and 16 business cases



Installed 30 kilowatt-peak solar capacity

ICRC'S ENVIRONMENTAL AND DECARBONIZATION ROADMAP

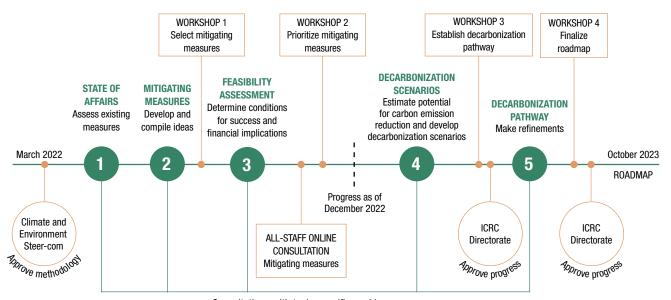
The ICRC is committed to ensuring that our humanitarian operations "do no harm" to affected populations or host communities, i.e. that we do not contribute to environmental degradation or pollution or worsen the impact of climate change. We have therefore been making continuous efforts to reduce the environmental footprint of our operations and maximize their sustainability. However, given the urgency of the climate crisis and the need for joint action to limit the global temperature rise to well below 2°C, in line with the Paris Agreement, we need to scale up and accelerate our efforts.

Thanks to the Fund's support, in March 2022, we started designing an environmental and decarbonization roadmap in partnership with the association Climate Action Accelerator,⁵ which lent us their technical and methodological expertise and international experience in developing climate solutions. The roadmap will provide a **detailed and strategic framework** for meeting our environmental and climate goals by 2030: reducing our carbon emissions by half and reducing other environmental impacts of our activities as well, including in logistics, procurement and waste management. The solutions we come up with under the roadmap will, we believe, lead to more innovation, efficiency and cost savings, which we can the redirect towards humanitarian activities.

⁴ Calculated by dividing the Fund's total expenditure by the final budget.

The Climate Action Accelerator is a not-for-profit association aiming to mobilize a critical mass of community organizations to scale up climate solutions, contain global warming below 2°C and prevent runaway climate change: https://climateactionaccelerator.org/who_we_are/.

The roadmap is being designed collaboratively, involving all levels of the organization and covering all support and operational activities. We began by taking stock of the ongoing environmental initiatives. Then we collected ideas on mitigation measures and assessed their impact, financial implications and feasibility. Next, we will select the measures to implement and estimate their potential to reduce carbon emissions, which will serve as a basis for the decarbonization scenarios and finalizing the roadmap. We are harnessing the collective intelligence of our staff through topic-specific workshops with subject matter experts and all-staff online consultations. The timeline illustrates the process, the progress made in 2022 and the planned completion date.



Consultations with topic-specific working groups

DECARBONIZATION OF THE ICRC'S PREMISES

Reliance on fossil fuels is a major concern for the humanitarian sector. The ICRC often operates in remote areas with little or no access to power, meaning we have to use generators. This creates pollution, noise and additional maintenance and fuel procurement costs. We have therefore made it a priority under Objective 1 to shift to renewable energy sources and energy-efficient technologies on ICRC premises. Making this shift can reduce carbon emissions significantly, generate substantial savings on energy costs and provide a reliable energy supply to ensure operational continuity. The activities financed by the Fund to make this shift include:

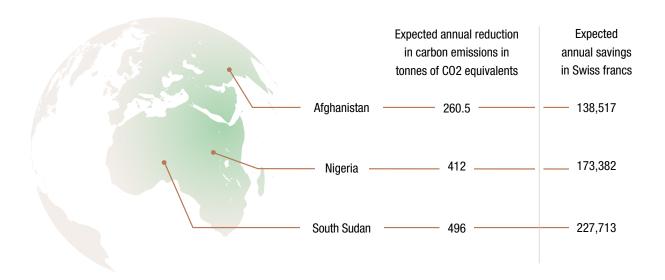
- building the essential technical capacities and human resources and administrative services to support clean energy and energy-efficiency projects
- conducting feasibility studies and making business cases for solar panel installations and energyefficiency measures
- carry out the solar installations and energy-efficiency measures (capital expenditure and installation).

The Fund is initially focusing on decarbonizing premises in the seven countries where we use the most fuel: Afghanistan, the Central African Republic, the Democratic Republic of the Congo, Iraq, Nigeria, South Sudan and Yemen. However, premises located in other countries can also receive technical and financial support from the Fund, provided there is funding and working capacity available.

PROGRESS IN THE TOP SEVEN FUEL-CONSUMING COUNTRIES

In March 2022 we set up the Energy and Electricity Centre of Expertise (EE CoE) to devise a year-by-year plan for decarbonizing and to oversee implementation. The first step in designing solar installations is to conduct feasibility studies, which provide an in-depth assessment of the energy potential and technical suitability of solar project sites. By the end of the year, 17 feasibility studies had been conducted with the help of external partners in Nigeria, South Sudan and Afghanistan. They served as a basis for solar business cases for 16 premises, detailing the required investment, expected cost savings and carbon emissions reductions. A tendering process for solar installation contractors was launched in Nigeria, South Sudan and Afghanistan. The process has been completed for two premises in Nigeria – the Abuja delegation and the Maiduguri offices – and solar installations are beginning in the first quarter of 2023. In South Sudan, in addition to the solar projects, the Fund is paying to replace old air conditioning units with more energy-efficient ones, which is expected to save 460 tonnes of carbon emissions and 140,000 Swiss francs per year.

The graphic below shows the estimated reduction in carbon emissions and cost savings from the solar installation projects based on the feasibility studies and business cases for Nigeria, South Sudan and Afghanistan. 6



CHALLENGES

Several factors have hampered progress, including delays in receiving the feasibility studies from a partner organization and the limited number of reliable local contractors. In Nigeria, the tender had to be relaunched after a contractor withdrew their offer, which delayed the project implementation. In Afghanistan, the tender had to be put on hold due to security concerns. In addition, because the EE CoE was formed in March, there was a ten-month implementation period instead of a full year. To mitigate these risks in the future, the EE CoE started working with a different consulting company for the feasibility studies and is exploring the possibility of partnering with international contractors in addition to local ones.

⁶ The figures presented are subject to change. There may be changes in the solar installation design or project circumstances, for example fluctuation in fuel and electricity prices.

PROGRESS ON OTHER INITIATIVES

In addition to projects in the top seven fuel-consuming countries, the Fund supported various other clean-energy initiatives across the ICRC. The EE CoE provided technical support concerning the premises in Mali, Mozambique, Jordan and Syria. In these countries, the intermittent or lack of electricity from the grid means we are highly dependent on generators (and therefore fuel), but there is high potential for solar photovoltaic power. In November and December 2022, the EE CoE visited two sites in Mozambique and two sites in Mali and conducted energy audits and preliminary assessments. These analyses showed that the sites were suitable for clean-energy and energy-saving projects and there was high potential for reductions in annual carbon emissions and costs: in Mali, 86.5 tonnes of CO2 equivalents and 26,425 Swiss francs; in Mozambique, 6.3 tonnes of CO2 equivalents and 20,892 Swiss francs can be saved.

In Amman, Jordan, the delegation proposed building a mobile solar farm to meet the energy demand of the main office for lighting, heating and cooling and charging the electric car fleet. This is in line with the delegation's strategy to reduce its reliance on fossil fuel–generated energy. The Fund financed a feasibility study and a preliminary business case, which concluded that the project would decrease the expenditure on electricity by 90% and save around 195 tonnes of carbon emissions per year.

All these projects could transition to the implementation phase in 2023 if the Fund has sufficient financial resources to allocate.

DAMASCUS SOLAR PROJECT

The ICRC's delegation in Damascus, Syria, has been helping those who are most vulnerable to cope with the dire consequences of a conflict that has lasted more than a decade. For example, the delegation helps ensure that people can get food, clean water and medical services and keep or get back in touch with family members. But we have trouble getting the electricity we need for these activities, because the grid covers only half the energy needs for our premises, and Syria's ongoing fuel crisis makes it difficult to secure a continuous supply of fuel to power the generators. The Fund therefore financed the installation of an energy storage and 56-panel solar system on the roof of the premises. The system generates enough electricity to power the lights, heat, appliances and IT equipment. As a result, the delegation has reduced its use of generators, and the power cuts no longer affect the delegation's operations. In addition, the delegation will save around 15,000 Swiss francs on electricity and fuel bills and 67 tonnes of carbon emissions annually.





THE WAY FORWARD

The activities carried out in 2022 have built a solid foundation for implementing a range of projects in several countries that will contribute to achieving the ICRC's target of halving carbon emissions. Once the ICRC's environmental and decarbonization roadmap is finalized (planned for October 2023), carbon mitigation measures will be taken across all activities and contexts. The projects underway to decarbonize the ICRC's premises will transition this year from the planning to the implementation phase. The first projects being rolled out are the installation of solar systems and the refurbishing of air conditioning units in Nigeria and South Sudan. In parallel, we will continue planning, designing and tendering projects in the remaining top fuel-consuming contexts, i.e. in the Central African Republic, the Democratic Republic of the Congo, Iraq and Yemen. The project to transition the premises in Afghanistan to solar power will progress as the security situation allows. In addition, the EE CoE will continue providing support to other sites committed to reducing their environmental impact from energy use, selecting the projects with the highest potential for cost savings and carbon emission reductions, within the limits of the available funding. Finally, this year the Fund has begun financing activities focused on integrating climate and environmental risks into all the ICRC's humanitarian programmes and helping vulnerable communities build resilience and adapt to the combined impacts of conflict, climate change and environmental degradation.





Thank you for your contributions to the ICRC's Climate and Environment Transition Fund. Your support allows us to accelerate our transition to a climate-smart, adaptable and sustainable organization and maximize the humanitarian impact for the most vulnerable people

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