

AFB/B.40/Inf.6 16 March 2023

Adaptation Fund Board Fortieth meeting Bonn, Germany, 23-24 March 2023

Agenda item 12

CARBON FOOTPRINT OF THE FUND

Introduction

1. This document has been prepared by the Adaptation Fund Board Secretariat (the secretariat) following the discussion that took place at the thirty-ninth meeting of the Adaptation Fund Board (the Board), under agenda item "Other matters". The objective of the document is to provide a brief overview of the situation of the carbon footprint of the administrative functions of the Adaptation Fund (the Fund).

2. The secretariat is hosted by the secretariat of the Global Environment Facility (GEF), which administratively constitutes one of the units (GEF Vice-Presidency) in the World Bank Group (WBG). Through the WBG's initiative on carbon inventory, some data is available on the carbon footprint associated with AF's internal business operations. The World Bank's overall data on carbon footprint is presented in a few official publications including the "<u>Sustainability review</u> <u>2021</u> (biannual)" and "<u>GRI index 2021</u>".

3. The World Bank Corporate Responsibility Program began measuring and offsetting Greenhouse Gas (GHG) emissions from Washington, DC buildings and travel since 2006, and globally since 2009. Data from 141 buildings globally are collected annually using a web-based data management system. The World Bank Group (WBG), through its GHG Emissions Inventory Management Plan (IMP), develops a GHG inventory and continues to make it comprehensive for its internal corporate GHG accounting and reporting that will be consistent with the principles and guidance of the Greenhouse Gas Protocol Initiative (GHG Protocol) of the World Resource Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). According to the IMP, all methodologies are based on guidance from the GHG Protocol with emission factors taken from governmental and international organizations such as the Intergovernmental Panel on Climate Change (IPCC), US Environmental Protection Agency (EPA), and the International Energy Agency (IEA).¹ As per the GHG Protocol, the WBG measures and manages GHG emissions per three scopes.

Scope 1: Direct emissions sources	 Combustion of fuel in boilers or furnaces that are owned by the reporting organization Generation of electricity, steam, or heat in equipment that is owned by the reporting organization Business travel in vehicles that are owned by the reporting organization, such as company cars or corporate jets Employee commuting in company-owned vehicles, such as shuttles and company cars Fugitive emissions of refrigerant from chillers or other refrigeration units owned by the reporting organization
Scope 2: Indirect emissions sources	- Generation of purchased electricity, steam, heat, or chilled water
Scope 3: Optional Sources	 Business travel in non-company-owned vehicles such as rental cars, employee cars, trains, and commercial planes

¹ The World Bank Group FY20 GHG Inventory Management Plan (2022)

4. The secretariats of the GEF and AF jointly occupy two floors in a leased building in Washington, DC, in the United States. The share of usage by the AF in the two floors is approximately 10-15% of the total area of the two floors. The following is aggregated data for both the GEF and AF. The numbers are estimated from information that the building management provided for the whole building in Fiscal Year 2019 (FY19) and apportioned for the office space of the GEF Vice-Presidency Unit, including the AF. The information was obtained from the Sustainable Development Practice Group of the WBG.

Office size of the 2 floors: 35,800 sq ft.

Scope 1 - Direct emissions sources

Combustion of fuel in boilers or furnaces (GEF and AF)

[FY21]	
Energy	981 thermoses of natural gas
Emissions	5.21 metric tons carbon dioxide equivalent (tCO2eq)

Scope 2 – Indirect emissions sources

Purchased electricity emissions (GEF and AF)

5. In the WBG, the second largest course of emissions is electricity usage.

[FY21]	
Energy	716,064 kWh of electricity (equivalent to 716 MWh)
Emissions	212.88 metric tons carbon dioxide equivalent (tCO2eq)

Scope 3 – Optional sources

6. In the WBG, the largest source of emissions is air travel. The WBG uses the UN International Civil Aviation Organization (ICAO) Carbon Emissions Calculator to compute work-related air travel emissions. For work-related travel, only air travel booked and paid for by the WBG and travel by contracted car service data is collected and included because the majority of the WBG work-related travel impacts are associated with plane travel.

Work-related emissions (AF only)

[FY22]	
Carbon emissions, secretariat, total	134.6 Metric Tons (mtons)
Carbon cost ² , secretariat, total	US\$ 6,715
Trees to absorb the carbon emissions ³ , secretariat, tota	al 1,178
Carbon emissions per staff in WBG, average	3.92 mtons
Carbon emissions per staff in secretariat, average	5.85 mtons
Distance flown per staff in WBG, average	19,156 miles
Distance flown per staff in secretariat, average	27,437 miles

7. Work-related travels captured here are those that were undertaken by staff and consultants of the WBG. Travels that were undertaken as a group such as meeting participants including board members are not incorporated in the GHG inventory yet, and the responsible unit of the WBG has been working on it.

Food procurement emissions (Cool Food Pledge)

8. According to the WBG *Sustainable Report 2021*, in FY20, the WBG signed the Cool Food Pledge, which committed the organization to reduce food-related greenhouse gas emissions from its headquarters' cafeterias, coffee bars, and catering operations, by 25 percent by 2030 relative to a 2019 baseline. The Cool Food Pledge is managed by WRI. The scope includes all food procurement at the Washington, DC, headquarters facilities through the food vendor, Restaurant Associates, a subsidiary of Food Buy. Approximately 55 percent of WBG staff is based at the DC headquarters offices. The Cool Food Pledge GHG calculator provides total food-related emissions from agricultural supply chains and food-related carbon opportunity costs. The total of these two types of emissions sums up to the total annual food-related carbon costs in metric tons of CO_{2e}^4

Emissions from other activities

9. Data is collected on water usage, waste and recycling at the level of the World Bank and data specific to the Adaptation Fund is not available. There are many more sources of emissions that fall under Scope 3 such as emissions from staff commuting and goods and services that the secretariat purchases for Fund's operations. The WBG is in the process to make the GHG inventory more comprehensive.

² The WBG uses US\$ 50 per ton to calculate the carbon cost for travel, which is consistent with the <u>High Level</u> <u>Commission on Carbon Prices</u>, convened by the <u>Carbon Pricing Leadership Coalition (CPLC)</u> and co-chaired by Nobel Laureate Joseph Stiglitz and Lord Nicholas Sternand and the <u>Global Carbon Council (GCC)</u> Guidance, with an understanding that the price be raised to US\$ 50-100 per ton of CO₂eq by 2030.

³ The WBG uses the methodology of <u>US EPA</u> to calculate the number of trees required to absorb the carbon emission. According to the EPA, those trees need to be grown for 10 years to absorb the carbon emission from the flights.

⁴ The World Bank Group FY20 GHG Inventory Management Plan (2022)

Carbon offsetting

10. According to the Corporate Responsibility Program Team of the World Bank, the WBG purchases carbon credits to compensate for emissions associated with corporate travel, facilities energy use, corporate vehicles, and other, miscellaneous emissions. As per the new World Bank Group Carbon Offset Guidelines (2022), the WBG only purchases credits from International Development Association countries to support development in low-income countries and seeks projects that contribute to the Sustainable Development Goals above and beyond their climate benefits, such as supporting gender equity. To offset direct and indirect carbon emissions not curtailed, the Bank purchased and retired credits totaling \$581,740 for fiscal year 2019 to maintain carbon neutrality.

Carbon performance target

11. The WBG completed its first global GHG inventory in FY07. Since then, the WBG has set base years for reducing emissions and updated methodologies for carbon inventory data collection and identifying data gaps. The WBG adopted a new global corporate carbon emissions reduction target to reduce direct and indirect carbon emissions (scope 1 and 2) from its global facilities by 28 percent by 2026 from a 2016 baseline. In order to achieve this target, the World Bank has pledged a 30 percent reduction of facility-related emissions (Scope 1 and 2) over the same period. A range of measures are being considered, including using renewable energy wherever feasible and improving energy efficiency.

Other efforts made by the WBG on carbon management

12. The WBG conducts training on how to maintain the GHG inventory for responsible staff, internal and external auditing for the corporate GHG inventory, management review of the corporate GHG inventory for necessary corrective actions.

Greening and Sustainability Initiative at GEF workplace

13. The GEF also has its own initiatives on greening and carbon management, that are outlined in GEF Business Plan and Corporate Budget for FY23, including, among others, those listed below. Being administratively within the GEF secretariat, the Adaptation Fund Board secretariat will have an opportunity to participate in and benefit from these efforts.

- The GEF Secretariat achieves savings with re-usable supplies and occupies a LEEDcertified building with highly efficient lighting and lower eco-footprint, to save costs and go green.⁵
- For FY23, the GEF Secretariat has also included in its approved administrative budget a small amount to support and advance its ongoing efforts to "green" its workplace. The

⁵ Footnote 30, <u>GEF Business Plan and Corporate Budget for FY23 (GEF/C.62/08/Rev.01)</u>

GEF is in close dialogue with counterparts at the World Bank, its host institution, to share ideas about efficient and effective opportunities for this effort.⁶

In FY23, the GEF carries out an initiative to seek to develop continuous carbon accounting relating to GEF's work, support actions and measures to reduce the carbon footprint, explore opportunities to place solar panels on the rooftop, cover incremental additional costs associated with the elimination of single-use plastic in the office and at events organized by the GEF Secretariat (to source all events sustainably), and support further training and work on an e-course on environmental sustainability to be developed jointly with the World Bank."⁷

Initiatives of the Green Climate Fund (GCF)

14. The GCF, one of the Adaptation Fund's peer climates funds, has engaged in carbon management, using a different scheme from the of the WBG, which has been led by UN organizations.

15. The GCF established the GCF Sustainability Initiative (GSI) in January 2020, which "is led by a small group of five dedicated volunteers and benefits from the support, thought leadership, and resources of teams across the Secretariat and independent units in its emissions reporting, sustainability campaigns, and process upgrades"⁸.

16. In accordance with the GCF sustainability strategy, the GCF joined the Greening the Blue initiative in 2020, which is a campaign established by the United Nations Environment Programme to assist the United Nations System of Organizations in reaching their sustainability commitments. The Greening the Blue community is comprised of 56 entities and the GCF became its member as the first non-UN organization. The "Greening the Blue Report 2022" presents the overview of the UN System's environmental footprint including carbon footprint. The GCF is listed as one of the data contributing entities for GHG emissions in the report. The GCF-specific data is presented in the community's website for the GCF and Environmental Performance Dashboard (UN Entities' Greenhouse Gas Emissions & Climate Neutrality - 2021 Data).

17. Other key information presented on the community's website for the GCF include the following.

- The GCF included in its inventory of GHG emissions travel, vehicle; water/energy/paper consumption; heating and cooling GCF continues to improve its data gathering in the context of environmental management.
- A carbon offsetting scheme exists and will be continuously refined. GCF purchases Certified Emissions Reductions (CERs) from the UN Carbon Offset platform and will

 ⁶ Para. 44, <u>GEF Business Plan and Corporate Budget for FY23 (GEF/C.62/08/Rev.01)</u>
 ⁷ Para. 45, <u>GEF Business Plan and Corporate Budget for FY23 (GEF/C.62/08/Rev.01)</u>

⁸ https://www.greeningtheblue.org/entities/gcfs

implement a systematic approach to selecting projects on a rotating geographical basis and with maximum co-benefits⁹.

What the AF could do for carbon management?

18. The Adaptation Fund Board Secretariat, although functionally independent, being administratively part of the WBG and GEF, has little control over the choice of office buildings and the energy sources of the electricity purchased for the office building. To reduce emissions for Scope 1 and 2, secretariat staff's influence is mostly limited to individual small-scale measures such as turning off office lights when the office is not in use.

19. On the other hand, the secretariat has more control over the choice for goods and services purchased for its operations. To reduce emissions for Scope 3, the secretariat could review its operational choice by more focusing on effective activities. The secretariat already carefully reviews the need for air travel, which at the level of the WBG is the largest source of emissions. The secretariat has also reduced its material footprint by shifting from printed to electronic communications. The secretariat staff benefit from WBG initiatives that encourage the use of public transport and biking to work.

20. The creation and management of carbon inventory entail the carbon data collection not only within an organization concerned but also from all goods and service providers that are associated with the organization's activities. The WBG has launched its carbon inventory initiative 15 years ago and continues to make the inventory more comprehensive. The Fund projects and programmes involve multiple entities such as implementing entities, executing entities as well as goods and service providers through the project cycle. Measuring the carbon footprint for Fund projects would require all of those associated entities to develop carbon inventory specifically for the project throughout its project life cycle, and the implementing entities. Its operation would be highly costly and time-consuming, and different entities have different operational capacities and approaches to carbon initiatives. Under these circumstances, it would be very challenging for the Fund to put in place a uniform system to measure the projects' carbon footprint, without substantially increasing the measuring, monitoring and reporting load of the entities involved in projects.

⁹ https://www.greeningtheblue.org/entities/gcfs