



Global Environment Facility

GEF/C.35/Inf.6
May 20, 2009

GEF Council
June 22-24, 2009

PROGRESS REPORT OF THE GEF AGENCIES TO REDUCE GREEN HOUSE GAS EMISSIONS FROM THEIR INTERNAL OPERATIONS

INTRODUCTION

1. In April 2008, the Council took a decision to note the progress made by the Global Environment Facility (GEF) Agencies to reduce greenhouse gas emissions in their internal operations and invited the GEF Agencies to provide information on progress in June 2009.
2. This information request builds on a GEF Evaluation Office (EO) survey of the policies and initiatives of GEF Implementing and Executing Agencies to broadly assess the extent to which they are addressing the greenhouse gas (GHG) emissions of their internal operations. The prior EO assessment found that the GEF Agencies are on the right track toward addressing the greenhouse gas (GHG) emissions of their internal operations. However, at the time of the assessment, Agencies were in the early stages of developing and adopting a comprehensive greenhouse gas management strategy. See document GEF/ME/C.33/2, *GEF Annual Performance Report 2007*, and document GEF/ME/C.33/3, *Management Response to GEF Annual Performance Report 2007*, for additional background information.
3. In response to this Council decision, the GEF Secretariat requested GEF Agencies to provide brief progress reports to present to the June 2009 Council. All of the Agencies reported. A qualitative examination of the reports suggests that progress is being made to address GHG emissions. The UN agencies are all actively participating in the UN carbon neutral program. The World Bank was the first multilateral development bank to become carbon neutral in 2006. The Regional Development Banks appear to have active programs to address their emissions including travel related carbon emissions. Detailed reports prepared by the individual Agencies are presented in Appendix 1.

**PROGRESS REPORTS OF THE GEF AGENCIES
(prepared by the individual Agencies)**

UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)

1. UNDP is participating in the UN-wide effort to achieve a climate neutral United Nations, which is coordinated by the UNEP-hosted Environmental Management Group (EMG). Within this scope, UNDP is committed to assess its GHG emissions from global operations (travel and facility operations) by the end of 2009. So far inventories have been established in one Headquarters Bureau, one Regional Centre and several Country Offices. Furthermore, UNDP is cooperating closely with other UN agencies on developing guidance for reducing emissions in UN-specific circumstances. Sustainable United Nations (SUN), hosted by UNEP, is coordinating these efforts. Within UNDP there are many initiatives on reducing emissions and/or offsetting emissions including

- Various carbon-neutral offices and office spaces
- Carbon-neutral major meetings
- Piloting of an internal tax on all air travel which will be used to make the involved office carbon-neutral. Currently air travel represents about 90% of that office's total GHG emissions.

UNITED NATIONS ENVIRONMENT PROGRAM (UNEP)

2. UNEP is supporting the UN Climate Neutral Strategy by targeting the following objectives:

- a) to reduce the climate footprint of UNEP through adoption of sustainable management practices for its operations at HQ and in all the regions;
- b) to 'lead by example' and provide a basis for raising awareness of similar organizations, of governments, and of the public as a whole¹; and,
- c) to develop methods, procedures, and approaches that could be used by others to achieve the same.

3. As of January 1, 2008, UNEP, including its outposted offices, is climate neutral in its operations. This has been achieved by

¹ UNEP's Governing Council Decision 18/10 on good environmental housekeeping; and Decision 23/8 on Sustainable procurement

- d) UNEP prepares on an annual basis a complete GHG inventory. UNEP was the first UN agency to develop an inventory according to the UN climate neutral strategy, and also developed the basic tools to support the preparation of inventories. The GHG inventory from 2007 showed a total emission of 11,508 tonnes CO₂-equivalents.
- e) UNEP purchases offsets to compensate for the emissions identified in the inventory. The offsets are procured as Certified Emission Reductions (CER) from Cleaner Development Mechanism (CDM) projects. UNEP is developing and assessing new applications and procedures to budget and purchase offsets suitable to the UN financial and administrative system.
- f) UNEP is reducing GHG emissions and is doing this along a strategy adopted in April 2008. This strategy is currently being updated and by mid-2009 it is expected to have set time bound emission reduction goals for UNEP. Most likely, the strategy will focus on emissions related to travel and buildings, but it will also address underlying processes and infrastructure, such as ICT, procurement, staff training, project development and organizational culture.

4. UNEP has established the Sustainable UN (SUN) facility to provide technical assistance to each UN organization to reduce their GHG emissions. This is part of the coordination on implementation of the UN climate neutral strategy, by the UN Environmental Management Group (EMG), which is chaired by the Executive Director of UNEP and supported by a secretariat provided by UNEP. In 2007, member organizations have committed to ‘moving their respective organizations towards climate neutrality in the headquarters and UN centres for their facility operations and travel’. By the end of 2009, organizations would estimate their greenhouse gas emissions consistent with accepted international standards, reduce greenhouse gas emissions to the extent possible and explore options for purchasing carbon offsets to reach climate neutrality. With the assistance from SUN, the EMG provides support to develop a harmonized approach, on offset purchase, on common methodology and tools for calculating the footprint of the UN, and support to training.

WORLD BANK

5. The World Bank was the first Multilateral Development Bank to become carbon neutral. Beginning in fiscal year 2006, the World Bank Group (WBG) has measured, reported and offset greenhouse gas emissions associated with its Washington-area business operations, including key meetings and air travel. Reduction opportunities have been identified, and the remaining emissions are offset through the purchase of carbon credits from WBG client countries and Renewable Energy Certificates that support new wind installations.

6. In fiscal year 2008, the WBG expanded its greenhouse gas inventory to include its country offices. The inventory methods being used to measure emissions are based on commonly agreed-upon international standards. As a result of these steps, WBG has been recognized as a leader among multilateral institutions for managing its “corporate footprint.”

7. The WBG is currently fully in compliance with all the criteria established by GEF EO, including (a) ‘centralized GHG data management’ (criteria 7), incorporating expansion of its greenhouse gas inventory to include our country offices from FY08; (b) a governing strategy, as expressed in the WBG Strategic Framework on Climate Change and Development (criteria 5), as well as inclusion of a climate policy in its overall strategy, through the broader greening program; and (c) with full public disclosure, see internet: <http://go.worldbank.org/SXVFUZSVU0>.

AFRICAN DEVELOPMENT BANK (AfDB)

8. The AfDB is committed to environmental sustainability through its policies and practices. In January 2004 the Board approved the new Bank’s Operations Policy on the Environment that acknowledges that in order to achieve sustainable economic growth in Africa, there is an urgent need to preserve and enhance the ecological capital that enriches such growth. Furthermore, the board approved in March 2008 the Banks Clean Energy Investment Framework and in April 2009 the Climate Risk Management and Adaptation Strategy. Both documents guide Banks future engagement in Climate Change. Those policies are implemented within operational frameworks and guidelines that ensure compliance of the Bank’s operations with sustainable development in its regional member countries.

9. In 2008 the Bank has passed its greenhouse keeping strategy under which corporate reduction in energy, paper, waste, and overall environmental impact is envisaged. The nature of the Environmental Footprint of the Bank institutional activities is presented below together with the Actions taken so far by CGSP to manage the cumulative impact of corporate activities on the environment.

10. Most of the Bank’s institutional activities are centred in Tunis, with institutional operations including general services and logistical support provided to 1175 staff members (December 2007). The Bank’s Environmental Footprint includes its carbon footprint, produced by travel, commuting and service vehicles transport, energy consumption, printing and photocopy services. Other environmental issues include health and safety risks and pollution, and noise generated from the Bank’s daily activities.

11. Since the beginning of 2007, CGSP has embarked on a number of initiatives aimed to better manage the Bank’s environmental concerns. CGSP has quantified the Carbon Footprint of the Bank and made diligent efforts to manage the various environmental resources; specifically

in solid waste management, energy saving and efficiency, water consumption. Hereafter is a description of the current environmental footprint of each resource, actions underway, and milestones of future performance.

12. Carbon dioxide (CO₂), released either by direct, indirect production or service delivery, is the principal greenhouse gas. The Bank produces CO₂ through one of three ways: directly through road (surface) transport of staff and service vehicles, indirectly through flying (official missions to undertake Bank operations), or through CO₂ released as a result of energy consumption (generators, electrical equipment etc).

13. The carbon footprint of the Bank is estimated at more than 42 thousand tons of CO₂. Air Travel and Commuting are the highest contributors to the carbon emissions of the Bank. The total carbon emissions per staff are estimated at 13.4 tons per year.

14. CGSP is studying the feasibility of purchasing carbon credits currently estimated at approximately 200 000 UA per year. The Bank has signed agreement with UNEP-SUN for Climate Neutrality's Technical Assistance. A special budget was created in CGSP internal budget in order to cover the cost of the Bank carbon credits. In order to offset the Carbon Footprint of the Bank, the funds will be used to finance environmental initiatives in Tunisia and across Africa.

15. In order to make their annual meetings 2009 in Dakar carbon neutral the AfDB purchased carbon credits of €85,400, based on an estimated 1,200 traveling participants at its Meeting. In exchange, it received an official certificate from Atmosfair, which stated that the AfDB's meetings are carbon neutral. Atmosfair will invest this sum in African development projects that use and promote sustainable energy.

ASIAN DEVELOPMENT BANK (ADB)

16. Recognizing the contribution of GHG emissions to climate change and the need for ADB's logistical operations to be consistent with our programs under Strategy 2020, Office of Administrative Services (OAS) developed a monitoring system to capture data from ADB activities and calculate the equivalent CO₂ emissions using Intergovernmental Panel on Climate Change guidelines. In 2008, ADB completed its first ADB Headquarters Greenhouse Gas Emissions inventory, covering 2005–2006, and launched the report on the inventory during the celebration of World Environment Day.

17. Data on ADB's GHG emissions were collected for (1) direct emissions (combustion from power generation, use of liquid petroleum gas, fuel for ADB official vehicles, and refrigeration); and (2) indirect emissions (electricity use at our headquarters; official air and ground transportation, rented vehicles, transport of solid waste and methane from solid waste disposed of in landfill, and shipment of goods).

18. Compared to the 2005 baseline, ADB's CO2 emissions decreased by 6.6% in 2006 and by 1.2% in 2007. In 2008 ADB had a slight up-tick of 0.6% due to increased staff travel and goods shipment. With specific respect to estimated emissions from corporate air travel, approximately 6000 tons of CO2 were generated from air travel in 2008. ADB has had in place for the past 3 years a system for the accurate estimate of such emissions.

19. Measures to continue reducing our GHG emissions are ongoing and largely embedded in ADB's various resource conservation efforts. Other actions include partnering with ADB's courier service providers to reduce the number of pick-ups and deliveries. ADB is also encouraging its courier services to use only recyclable or biodegradable envelopes. Further, ADB is increasingly shipping publications printed outside the Philippines directly to their final destinations rather than through ADB headquarters.

20. ADB continues to carefully monitor the emissions levels of its vehicle fleet and consider these and fuel efficiency ratings when procuring new vehicles. In addition, ADB encourages its staff members to

- reduce air travel by using video-conferencing (recently added 16 conference rooms for this purpose),
- combine official travel for multiple missions into one trip to minimize overall distance traveled, and
- take the most direct route in air travel.

21. Given the nature of ADB's business, reducing air travel remains a challenge. New state-of-the-art videoconferencing facilities are backed by

- 15 satellite links to resident missions for voice, data, and videoconferencing services;
- 11 direct links to field offices for data and videoconferencing services; and
- 33 conference rooms in headquarters, and most of ADB's field offices are equipped for videoconferencing.
- The use of these facilities has increased significantly.

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)

22. The EBRD continues to provide a good working environment for its staff while minimizing the environmental impact of its Headquarters in London. Since 2006, the Bank's Headquarters in London has derived all of its electricity needs from renewable energy suppliers. It signed a one-year contract for hydroelectricity in 2008.

23. The interdepartmental Energy and Environment Management Working Group considers ways to reduce the organization’s environmental impact. Initiatives launched in 2008 include battery recycling and a reduction from eight to three general waste collections a week, to reduce carbon footprint and transportation costs. Further reductions in transport costs and CO2 emissions were achieved by switching to a waste disposal site that is located closer to the office. The EBRD continues to follow the principals of “reduce, reuse and recycle” within its premises. For example the Bank has restricted the issue of stationery catalogues as products are available to view online.

24. After lighting, heating and cooling its buildings, the Bank’s biggest use of energy and associated emissions of CO2 is through business travel, the vast majority of which is essential air travel. Using trains rather than aircraft is becoming an increasingly viable option in parts of Europe, reflected in a year-on-year rise of 23 per cent in total miles travelled in 2008. Air travel fell by 2.5 per cent in the same period, which partly reflects the increased use of video conferencing in the Bank’s five dedicated facilities. Table below shows the change in air travel, rail travel and CO2 emissions since 2005.

EBRD business travel 2005-08

	2008	2007	2006	2005
All travel (million Kilometers)	25.2	25.3	25.8	23.7
Rail travel (Kilometers)	331,148	267,619	406,475	294,000
CO2 emissions (kilotonnes)	2.6	2.7	2.6	2.5

25. In its internal operations, the EBRD will pursue best practices in environmental management (including energy and resource efficiency, waste reduction and recycling) and human resources management (such as equal opportunity, work/life balance, health and safety). The EBRD will seek to work with suppliers and contractors who follow similarly high environmental and social standards. The Bank will take into account sustainability issues for the procurement of internal goods and services.

INTER-AMERICAN DEVELOPMENT BANK (IDB)

26. The IDB Corporate Environmental & Social Responsibility (CSR) Initiative calculates the carbon footprint of its corporate activities at its Headquarters, annual meetings, its 26 Country Offices, and its two nonregional offices on an annual basis through a centralized GHG

data management.

27. The first calculation of the IDB’s carbon footprint was in 2006, and as of 2008, the IDB has reduced its greenhouse gas emissions in its Headquarters facilities to 19,567 tons of CO2 equivalent. For the IDB’s county and nonregional offices in 2008 this figure was 4,453 tons of CO2 equivalent, compared to 4,277 tons of CO2 equivalent in 2007. The IDB also continues to calculate and offset the carbon emissions associated with the Annual Meeting of its Board of Governors.

28. IDB’s Corporate Environmental & Social Responsibility Initiative boasts an aggressive communications and outreach strategy for IDB staff and for local residents. In 2008, the IDB achieved its goal to minimize its environmental footprint by making all IDB offices carbon neutral. Following its commitment to buy 100 percent of the energy consumed by its Headquarters building from a renewable source, the IDB reduces the carbon emissions associated with its own buildings’ energy use (heating, cooling, computers, lighting, etc.) to zero. Also, the IDB measures yearly its consumption of energy and essential raw materials, as well as its production of waste.

29. The IDB encourages the further improvement of its in-house environmental performance with programs like the Country Carbon Challenge, through which seven Country Offices received financial awards to implement projects with innovative solutions to reduce their carbon footprint in 2008. On June 4, 2009, it is launching its first annual CSR Event with a morning symposium featuring panelists that have contracts with IDB; the afternoon session is titled Mi Casa Verde (My Green Home) which is an expo on environmental & social responsibility for staff and for external audiences.

30. Carbon emissions associated with other IDB activities (such as gas for kitchen use, diesel for generators, gasoline for IDB vehicles and mission travel) can effectively be reduced to zero through the purchase of carbon credits. The tables below provide an overview of the reduction of CO2 equivalent from these activities between 2006 and 2008.

Table 1: IDB GHG Emissions Summary (2006-2008)

Categories	2006	2007	2008
stationary	152	156	167
mobile	36	33	27
HVAC	0	0	59
Electricity	11,623	11,791	11,188
air travel	7,217	7,434	6,321
hotels	156	129	135
commuting	1,521	1,463	1,670
Total CO₂ Emissions - Equivalent (metric tons)	20,705	21,006	19,567

Table 2: Air Travel Details (2006-2008)

Optional Emissions -Mission Air Travel 2008			
Source Description	Passenger miles	CO₂ Emissions (kg)	tCO₂eq
Short Haul (< 300 miles)	24,000	6,648	7
Medium Haul (≥ 300 miles and < 700 miles)	178,168	40,800	41
Long Haul (≥ 700 miles)	33,909,860	6,273,324	6,273
Total CO₂ Emissions - Equivalent (metric tons)			6,321
Optional Emissions -Mission Air Travel 2007			
Source Description	Passenger miles	CO₂ Emissions (kg)	tCO₂eq
Short Haul (< 300 miles)	2,116,024	586,139	586
Medium Haul (≥ 300 miles and < 700 miles)	2,390,853	547,505	548
Long Haul (≥ 700 miles)	34,056,230	6,300,402	6,300
Total CO₂ Emissions - Equivalent (metric tons)			7,434
Optional Emissions -Mission Air Travel 2006			
Source Description	Passenger miles	CO₂ Emissions (kg)	tCO₂eq
Short Haul (< 300 miles)	302,495	83,791	84
Medium Haul (≥ 300 miles and < 700 miles)	1,248,336	285,869	286
Long Haul (≥ 700 miles)	37,012,276	6,847,271	6,847
Total CO₂ Emissions - Equivalent (metric tons)			7,217

INTERNATIONAL FUND FOR AGRICULTURE DEVELOPMENT (IFAD)

31. Between February 2008 and April 2009, IFAD has actively undertaken to reduce its GHG emissions. In May 2008, IFAD moved into its new headquarters building. This building features the latest environmentally friendly features - e.g. efficient insulation/heating systems, installation of energy saving lighting and the use of renewable or local materials for construction. Since the move to the new headquarters building, additional surveys and modifications have been and continue to be undertaken. For example, the installation of water recovery systems, modification of working hours (for lighting/heating purposes), collection and recycling of organic wastes, proactively/programmes maintenance of appliances and systematic checks on CO₂ levels (air quality/humidity levels), and provision of a commuter bus to encourage staff to take public transportation. Indeed, the initial survey of the new HQ has been taken for USGBC LEED certification and IFAD has qualified for CLASS A certification. Furthermore, under IFAD's greening policy (launched in 2008), IFAD created a cross Divisional internal working group (Zero Carbon Imprint Working Group). Recent surveys have been undertaken to identify IFAD's baseline of CO₂ emissions and energy consumption levels. Coupled with IFAD's participation to inter-Agency task forces and committees, IFAD is working to set targets and systems to monitor/report on emission levels incurred from IFAD's operational activities, and raise awareness to promote staff engagement in GHG emission reduction activities.

FOOD AND AGRICULTURAL ORGANIZATION (FAO)

32. With the appointment of a Climate Neutrality Advisor in February 2008, FAO started laying the foundations for an organization-wide Climate Neutral Strategy (consistent with ISO 14064) as well as an Environmental Management System (consistent with ISO 14001 and planned from the previous year).

33. FAO's move towards climate neutrality is in line with Annex II of CEB 2007/2 and is taking place in close cooperation with the Secretariat of the Environmental Management Group (EMG) and UNEP's Sustainable UN (SUN). FAO has also been helping other Rome-based UN agencies keep abreast of UN-wide developments and requirements in this area. Within FAO, a senior-level Green Advisory Group chaired by the Deputy Director General, an expert-level Green Task Force chaired by the Climate Neutrality Advisor, and a staff Going Green Group bring together the top-down, technical and bottom-up dimensions.

34. Data collected for FAO Rome Headquarters facilities suggests that CO₂ emissions related to consumption of energy (electricity and gas), refrigerants and official vehicle fuels amounted to approximately 6,500 tonnes in 2008. Interface difficulties between the UN-adopted ICAO air travel calculator and FAO's IT platform for collecting travel data has so far prevented the conversion of 22,000 air tickets purchased by FAO in 2008 into CO₂ emissions.

35. The focus in the first part of 2009 is on bringing decentralized FAO offices into the equation, on completing the organization-wide inventory and submitting its methodology to external verification. In parallel, a draft report based on analysis of the 2008 data for HQ facilities is being finalized as the underpinning for an organizational Environmental Management policy and recommendations for realistic energy-saving measures along with related environmental benefits, costs/savings and pay-back periods. From this will flow a multi-year action plan with consumption and emissions targets, an Environmental Management Manual, and Operational Procedures for 5 sectors: energy, water, waste, ozone-depleting substances and dangerous/toxic substances. Individual business cases supporting the recommendations will be submitted for resource approval.

36. A third analysis also completed in 2008 deals with HQ office-based procurement. It follows a similar pattern to the parent Environmental Management analysis and recommends sustainable procurement criteria and procedures for office stationery, office furniture, IT equipment, cleaning services/products, and building maintenance paints.

37. FAO is yet to formally address the question of systematic purchasing of carbon credits to compensate those emissions it cannot reduce. Thanks to UK DFID sponsorship, however, the CO₂ emissions produced by a subset of delegates (Low Income and Food Deficit Countries) to

the June 2008 World Conference on Food Security, Sustainable Energy and Climate Change were offset on a one-off basis.

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO)

38. UNIDO's activities with respect to its climate footprint are taking place within the context of the agreement of the UN System Chief Executives Board for Coordination (CEB) in October 2007 that by end 2009 the Agencies of the UN System would take all the necessary steps to measure their climate footprints, reduce them to the extent possible, and analyze the cost implications and explore budgetary modalities of purchasing carbon offsets to eventually reach climate neutrality.

39. The commitment to move to climate Neutrality was made by the Director-General, which ensures high-level management support. For this purpose of climate Neutrality, a UNIDO Climate Team has been established to measure, reduce, and find ways to offset the organization's GHG emissions. The Climate Team is made up of 5 members, reporting to the Executive Board. All members are in senior management positions in UNIDO's three main branches. Three members are located at Headquarters and two are positioned in field offices, to integrate the latter as much as possible into the process. This structure ensures that all aspects of the organization are involved in the process, and reporting to the Executive Board ensures that concrete ideas and measures can flow into the organization's operations.

40. UNIDO is currently finalizing its first formal estimate of the Organization's climate footprint, for 2008, which will become the baseline for future estimates. The year 2008, for which reasonably accurate emission calculations are possible, will serve as a base year against which the organization will track progress. (Comparisons to early years and estimates on the effectiveness of measures which have already been implemented are difficult because of the unavailability of relevant activity data.) To achieve comparability across the UN system, UNIDO is using the UN GHG calculator based on the WRI / WBCSD Reporting Standard, which is in compliance with the ISO 16064 and ISO 16065 international standards for GHG accounting. The calculations will be verified by an external auditor.

41. As agreed by the UN Agencies in the Expert Group Meeting (EGM) in December 2008, the estimate will be verified by an external auditor some time in the second quarter of 2009. The estimate covers GHG emissions from all activities for which UNIDO is operationally and/or financially responsible. It therefore includes not only GHG emissions generated by the activities of UNIDO's staff (Headquarters and field offices) but also those generated in the projects which UNIDO manages. Figures and measures will be made public once the calculations have been verified by a certified auditor.

42. Current indications are that travel makes up the bulk of UNIDO's footprint, with much of the remainder coming from our use of buildings: heating, cooling and air conditioning, and electricity use. Almost all the emissions are in the form of CO₂, with very small amounts coming from refrigerant loss.

43. With respect to travel emissions, to date some measures have been taken to make the staff more aware of the issue and to encourage them to reduce travel wherever possible. For example, settings have been inserted in the Travel Authorization system, asking the authorizing party to confirm that the purpose of the travel cannot be achieved through some other means. Furthermore, UNIDO gives priority in its bookings to direct flights, which limits the GHG impact of travel. UNIDO is currently considering what further options are available to it to reduce this class of emissions.

44. With respect to buildings-related emissions at Headquarters, UNIDO, which is in charge of buildings management for the entire Vienna International Centre (VIC), has already implemented a number of energy efficiency measures over the last few years. To further these efforts, an energy audit has been undertaken, the recommendations of which are currently being considered by the relevant VIC-wide buildings committee. In addition, the Climate Team is working closely with the facility engineers and the other VIC based organizations to promote green issues and implement ideas looking to increase the energy efficiency at the workplace. With respect to building-related emissions in the field, most UNIDO offices are tenants and have little and if any control over building decisions.

45. Two exhibits have been mounted at the VIC, which, together with information on the intranet informs employees of the size of UNIDO's footprint as well as the ongoing efforts to reduce it. Staff members have the opportunity to contribute ideas on reducing the organization's environmental impact through a suggestion box. A reward scheme for successful contributions to the suggestion box is being developed, to give staff an incentive to take part in "greening" the organization.

46. With respect to offsetting remaining emissions, UNIDO is currently exploring the options that are available to it.