



# CVA, ENVIRONMENT AND CLIMATE CHANGE

**WORKSHOP**

**Dec 05, 2022 12:00 UTC**

# HOUSEKEEPING



This event will last 90 minutes



You can submit your questions and share key information and experiences using the chat



Please keep your mics muted. To speak, raise your hand and wait before opening your mic



This event will be recorded & recording shared online



In the case of a "zoom hacker", staff will remove and block the offender.

# AGENDA

## FIRST SECTION

- INTRODUCTION- RCRC CLIMATE CENTER
- CVA AND ENVIRONMENT POLICY COMMITMENTS- CALP NETWORK
- CVA, ENVIRONMENT AND CLIMATE CHANGE IN ECHO POLICIES AND OPERATIONS- ECHO

## SECOND SECTION

- BREAK OUT ROOMS:
  - BR1- RISK ANALYSIS, MARKET ASSESSMENT AND FSP
  - BR2- MEB COMPOSITION AND ENVIRONMENTAL RELATED NEEDS
  - BR3- USING CVA TO ADDRESS CLIMATE CHANGE RELATED CRISIS
- PLENARY- WRAP UP, CLOSURE AND NEXT STEPS

# INTRODUCTION-CVA, ENVIRONMENT AND CLIMATE CHANGE



Julie Arrighi

Associate Director of the RCRC Climate Center

# CVA AND ENVIRONMENT POLICY COMMITMENTS



**Kate Hart**

Head of policy,  
evidence and learning

CALP Network

# Climate and Environment Community of Practice- CALP research on CVA Policy Commitments- Where next? The evolving landscape of cash and voucher policies

5<sup>th</sup> December 2022



# A 'teaser' sharing of the report findings!

- The report will be published later this week. Plans for ++ follow up next year. Please do engage 😊
- Key question for you.....How do global policy commitments, including those regarding the climate and environment, affect your work?
- Background to research:
- Many of the global policy commitments made in/around 2015/ 2016 are coming to an end/ need to be renewed + much has changed since those commitments were made
- Objectives
- To map CVA-related policy commitments and priorities of humanitarian stakeholders and identify areas of potential collective action.
- Commitment to the climate and the environment was one of the commitments explored

## Some 'teaser' findings regarding the Climate and the Environment

- Policy positions, let alone commitments, are very unclear on this topic. All key informants stressed importance of it. Key informants called it variably 'a big thing', being of 'utmost importance', or an 'overarching umbrella' of all work.
- CVA is rarely mentioned directly in the guidance documents as a tool to mitigate the impact of climate change.
- A number of responses were clustered around the sense that 'we have policies on climate and policies on cash. It is hard to see the intersection'.
- One school of thought saw the usefulness of collectively thinking through the topic, discussing the exact configuration of the problem and trying to find the angle for CVA in it. Another group emphasised the fact that it is still unclear what exactly agencies want to achieve in this area that it is not suitable to embark on a collective process yet.
- But on Anticipatory Action:
- Anticipatory action was identified as a high priority by a large number of actors
- Some of the interviewed donor representatives confirmed that it is a priority for them, though not necessarily or specifically linked to their policy discourse on CVA.
- Several key informants saw strong potential in 'amalgamating the agendas of CVA and anticipatory action'

# CVA, ENVIRONMENT AND CLIMATE CHANGE IN ECHO POLICIES AND OPERATIONS



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Regional Programme  
Officer Food Assistance  
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DG -ECHO



Anja Pirjevec

Global technical expert in  
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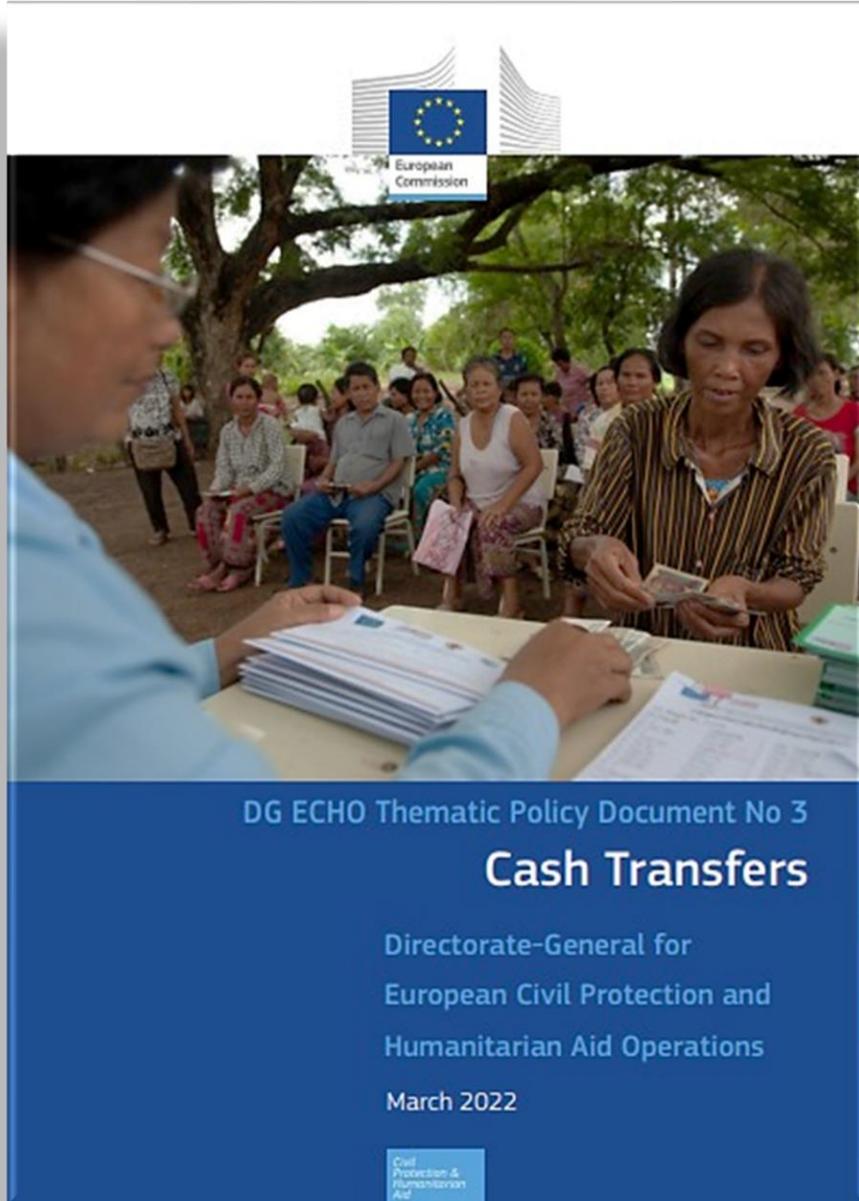
# CVA, environment and climate change workshop

CVA, ENVIRONMENT AND CLIMATE CHANGE WORKSHOP

*December 2022*

**What is new in the DG  
Echo Cash Thematic  
Policy**





- *A more comprehensive document*
- *Focus on cash over vouchers*
- *Linkages between cash and social protection*
- *Multiple avenues for innovation (digitalisation, market support, group cash transfers)*
- *Interoperability and data protection*
- *Use of cash in ERM, AA, CM, protracted response.*
- *Linkages with other humanitarian reforms and policy developments*
- ***Commitment to greening humanitarian assistance***



# Overview of the policy

**Targets** DG ECHO humanitarian partners and staff as main audience

**Sets out** DG ECHO's expectations for quality cash assistance

**Applies** to all cash programmes

**Considers** multi-purpose cash for basic needs

**Aligns** with Joint Donor Statement on humanitarian cash transfers

**Applies** to MPC and cash/vouchers for specific sectoral outcomes

## ***6 expected outcomes of the humanitarian assistance:***

- 1) Operationalises the humanitarian–peace–development nexus;*
- 2) Targets the most vulnerable;*
- 3) Adequate, timely and equitable;*
- 4) Provides value for money;*
- 5) Accountable;*
- 6) Measurable*

# Cash and environment

- In line with DG ECHO's Thematic Policy on Cash transfers, partners should prioritise delivering aid through the cash modality, however...
- when comparing cash and vouchers used for local purchases of items versus in-kind assistance, DG ECHO does not take a blanket stance that cash and voucher assistance (CVA) is more environmentally sustainable than in-kind
  - Cash can have indirect impacts
  - Underexploited potential for environmental benefits through cash transfers

**What is the greening  
of humanitarian  
response?**





*Our **goal** is to reduce the impact of EU-funded humanitarian operations on local ecosystems while maintaining our ability to provide timely assistance to those in need.*

*Through the integration of the MERs we are supporting the implementation of a greener humanitarian response and **reducing the environmental footprint of EU humanitarian aid.***

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**Why did we develop  
the Minimum  
Environmental  
Requirements?**



# Why is incorporating environmental aspects in the humanitarian response important?

The '**do no harm**' principle obliges humanitarian actors to prevent and mitigate any negative impact of our actions on affected populations

**Incomes and livelihoods** of affected populations and host communities depend on the environment

Considering environmental aspects reduces **operational risks** and contributes to resilience of affected populations

Enhancing the environmental responsibility increases resource efficiency and **reduces the needs for future humanitarian assistance**

# Mainstreaming approach

DG ECHO will apply a **'mainstreaming' approach**:

Environmental impacts should be mitigated across sectors, projects and programmes and not implemented as stand-alone or parallel actions to the response activities

## Standalone environmental projects

- Focus: projects/programs whose main objective is to protect or restore the environment

## Environmental mainstreaming

- Focus: reduce environmental impact in project operations
- Regardless of sector (including E sector).
- To be considered/applied **in all activities**
- Some sectors more ready than others.

# Overview of some terminologies



## Environmental recommendations

Recommendations are actions that are encouraged and looked at favourably in the proposals.

**They may become requirements in the future.**

Their incorporation in the proposals is recommended but optional.



## Environmental requirements

Criteria partners need to address in a humanitarian response.

They are the central concept of DG ECHO's Approach to reducing the environmental footprint of humanitarian aid.

The incorporation in the proposals of the requirements is mandatory from 2023.

**CROSS CUTTING MER**

**SECTORAL MER**

# Cross Cutting MER&Rs

**6. Projects with cash and voucher assistance (CVA) should ensure their contribution to environmental efficiency**

# Cross Cutting Minimum Environmental Requirements

**Requirement 6.1:** Include potential environmental and climate impacts as part of the Cash & Voucher Assistance (CVA) risk and mitigation analysis.

## KEY POINTS:

- Environmental considerations should be included in the cash risk and mitigation analysis at a minimum.
- ‘Environmental Risk’ should be added as one of the risk categories and **potential environmental impacts of the cash transfers considered**
- **Environmental impacts will be context-specific**

# Cross Cutting Minimum Environmental Requirements

**Recommendation 6.1:** Include environmental considerations in programmatic tools used to design an intervention (modality selection analysis, and market analysis).

**Recommendation 6.2:** For CVA, include environmental considerations in the Minimum Expenditure Basket, in addition to the risk and mitigation analysis.

**Recommendation 6.3:** Promote continued monitoring of the environmental impact of purchases made to detect any behaviours or choices incentivised by cash and vouchers that may be environmentally damaging and then introduce mechanisms to manage these situations where feasible.

**Recommendation 6.4:** Prioritise Financial Service Providers that do not invest in environmentally harmful sectors and if they exist, that invest in environmentally beneficial projects.

**Recommendation 6.5:** Promote complementary approaches outlining environmental considerations and risks, through market support interventions and work with local suppliers to improve the environmental sustainability of the produces available on the local markets

# Examples of activities with environmental benefits through cash transfers



Use of CASH interventions for food assistance as opposed to in-kind distributions, supporting local production and procurement



# Examples of activities with environmental benefits through cash transfers



CASH for climate adapted shelter upgrades and renewable energy measures and CASH for rent, coupled with climate smart rehabilitation measures

# Examples of activities with environmental benefits through cash transfers



*Use of CASH supporting sustainable livelihood activities and small-scale farming systems (e.g., agroecology, production of greener cooking fuels, solid waste recycling and repurposing initiatives)*



# Examples of activities with environmental benefits through cash transfers



CASH for work to enable reforestation/afforestation efforts in and around humanitarian sites

# Examples of activities with environmental benefits through cash transfers



Use of CASH to support access to more efficient cooking stoves and cooking energy fuel



# Examples of indirect and unintentional negative impacts on the environment of cash transfers

- Deforestation and overexploitation of natural resources in and around humanitarian sites linked to activities supported by CASH transfers (use of firewood as cooking fuel, activities linked to the construction/shelter sector)
- Use of CASH supporting unsustainable livelihood and agricultural activities (overuse of pesticides, fertilizers, overgrazing, overexploitation of water sources by livestock)

# BREAK OUT ROOMS

## BREAK OUT ROOM 1-

Risk analysis, Market assessment and FSP

Judith Munyao

DG-ECHO



## BREAK OUT ROOM 2-

MEB composition and environmental related needs

José Jódar

CALP Network



## BREAK OUT ROOM 3-

Using CVA and address climate change related crisis

Anja Pirjevec

DG ECHO



# BREAK OUT ROOM- 1

## Risk analysis, Market assessment and FSP

Key questions:

- How are environmental considerations incorporated within the CVA project cycle, including the CVA response option analysis and program design?
- What are the main recommendations related to this?
- What are the main existing good practices?
- What are the main challenges we are or we could be facing?

# BREAK OUT ROOM -2

## MEB composition and environmental related needs

### Key questions:

- How are environmental needs considered in needs identification?
- How is this impacting the MEB design and transfer value calculation?
- What are the main challenges involved in including environmental considerations?

# BREAK OUT ROOM -3

## Using CVA to address climate change related crisis

Key questions:

- How can CVA contribute to addressing climate change and environmental degradation related crises (e.g. droughts, water scarcity, deforestation, etc.)?
- What are the CVA added value for this?
- What are the main existing experiences and evidences?
- What are the main challenges in using CVA to address climate related crisis?

# CONCLUSION AND NEXT STEPS

- Many thanks for your participation
- We will be sharing recording and comprehensive notes of the workshop- key information, experiences and potential opportunities and commitments.
- Join the Cash, environment and climate change Community of Practice (hosted by CALP Network) for more updates, events and information.



MANY THANKS!

[www.calpnetwork.org](http://www.calpnetwork.org)

