

# UNHCR Sustainable Supply: greening the supply chain

## Background Paper

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### Introduction

Climate change is a risk and vulnerability multiplier that is increasingly driving displacement and protection needs around the world. To mitigate the impact of climate change and environmental degradation on forcibly displaced people and their hosts, UNHCR established a [Strategic Framework for Climate Action](#). To support its implementation, the [Operational strategy for climate resilience and environmental sustainability](#) was put in place for 2022-2025.

One of the key components of the operational strategy is sustainable supply, including sustainable procurement. An expert evaluation conducted for UNHCR in autumn 2021, indicated that core relief items (CRIs) collectively represented approximately 60 per cent of the organization's total greenhouse gas emissions (GHG). A disproportionately large amount of these emissions was traced to eight specific items.

UNHCR is now incorporating sustainability considerations into all areas of the end-to-end supply chain, including planning, sourcing, material contents, manufacturing processes, procurement, delivery and product life cycle management of CRIs and other high volume/impact goods. By prioritizing local procurement and considering diversity, gender balance and ethical practices, UNHCR is also supporting local economies and social inclusion.

The goal of UNHCR is to develop a culture of sustainable supply with tangible results **by 2025**. Through the deliberate sourcing, procurement and delivery of goods, with minimal negative environmental and social impact, UNHCR will:

- Reduce by 20 per cent the aggregate average GHG emitted from CRIs.
- Increase by 20 per cent the recycled content of CRIs.

### Sustainable procurement

The United Nations system has been called on to internalize the sustainable development goals (SDGs) across all policy, operational, and administrative aspects. [SDG 12](#) calls for entities to “ensure sustainable consumption and production patterns” and “promote public procurement practices that are sustainable, in accordance with national policies and priorities”. The inclusion of sustainability considerations in UNHCR's procurement policy and strategy reflects UNHCR's commitment to sustainable procurement practices.

Procurement is deemed sustainable when it integrates requirements, specifications and criteria that are compatible with protecting the environment and supporting social progress and economic development, namely by seeking resource efficiency, improving the quality of products and services, and ultimately optimizing costs. Market research has shown that more sustainable products do not necessarily incur a significant price increase, in fact, it is often the opposite.

Therefore, UNHCR ensures the principle of “value for money” while procuring sustainable products, in a way that not only considers the acquisition cost of the item, but its total lifecycle cost.

Through sustainable procurement, UNHCR is signalling its focus on sustainability and basing its choice of goods and services on:

- Economic considerations: best value for money, including price, quality, availability and functionality over the lifecycle.
- Environmental considerations, i.e., green procurement: the impacts of the product and/or service on the environment over its whole life cycle, from a circular economy perspective.
- Social considerations: effects of purchasing decisions on issues such as poverty eradication, international equity in the distribution of resources, labour conditions and human rights.

The strategic approach by UNHCR to pursue sustainability is aligned with the fundamental principles of procurement, as outlined in the Financial Regulations and Rules of the United Nations. These principles<sup>1</sup> relate to “how” to procure the items that UNHCR has decided to purchase. Notably, the principles do not apply to the decision-making process related to “what” needs to be procured. For example, when UNHCR decides to buy tents during a refugee emergency, it is because tents represent the quickest and most flexible way to provide shelter, not because tents are cheaper than constructing new buildings. The tents are procured in full compliance with all the fundamental principles of procurement. At the same time, when UNHCR procures armoured vehicles, certain quality features and security certifications need to be met. This may have an impact on the cost but is justified by the objective of protecting the lives of UNHCR personnel. However, the procurement of armoured vehicles that meet the required specifications is still conducted in full adherence to the United Nations public procurement principles, which are also part of UNHCR’s procurement policy. Therefore, there is a clear distinction between a purchasing decision, which is determined by a wide range of considerations, and the execution of the relevant procurement process, which is always conducted in full adherence with the procurement principles and UNHCR rules and regulations.

#### CORE RELIEF ITEMS

To minimize the carbon footprint of its supply activities, UNHCR is revising the specification of CRIs to promote sustainably produced items, replace as much as effectively feasible virgin plastic by recycled plastic, minimize packaging and to reduce GHG emissions. So far, specifications of six CRIs (blankets, sleeping mats, jerrycans, buckets, solar lamps and kitchen sets) have been modified. In 2022, UNHCR launched a pilot procurement project in the Asia and Pacific region to replenish stocks in Afghanistan, Pakistan and Uzbekistan. The project included orders of blankets made with 100 per cent polyester from recycled plastic bottles, switching to natural colour boxes, using bales made of recycled material, banning single-use plastic packaging, and optimizing packaging for blankets and sleeping mats. It was calculated that these efforts lower CO<sub>2</sub> emissions by an estimated 1.840 metric tonnes, a saving which is equivalent to some 680,000 litres of diesel. Work is ongoing to further reduce virgin plastic materials and increase the proportion of recycled materials in more items. Specifications (including for tarpaulins and tents) are under development in cooperation with other humanitarian organizations, at inter-agency level. These specifications are expected to be finalized by the end of 2023.



<sup>1</sup> See: [ST/SGB/2013/4](#) Article V/Section C/Procurement/General principles.

### PACKAGING AND LABELLING



UNHCR is exploring ways to make the packaging material more sustainable, including by using recycled and natural-coloured cardboard, water-based ink, and reducing single-use plastics. After thorough testing, the blanket compression rate was increased to ensure a higher number of blankets per bale, consequently reducing both the cost and the GHG emissions of international transport. UNHCR has also created a green label for CRIs with indications on material composition and recycling. There is also a QR code, which takes users to an online page [help.unhcr.org](https://help.unhcr.org) that serves as an information and protection tool for users.

### LOGISTICS



To increase efficiency and reduce GHG emissions, UNHCR is reviewing the way CRIs are stored and transported. Special attention is given to optimizing palletization and the load ability of transport units. Recent global logistic challenges highlighted the need to diversify both sourcing and distribution points. UNHCR is also aiming to identify region-specific CRI suppliers, particularly in Africa and Latin America, to lessen its reliance on global supply actors and thereby diminish the resulting environmental and social impact.

### CALCULATING GHG EMISSIONS



UNHCR is examining the environmental impact of each CRI and developing methodologies for life cycle assessment (LCA) and how to calculate their GHG emissions in relation to the purchasing of goods, transportation and waste. Another guidance document in progress summarizes the methodology to calculate Scope 3 GHG emissions to support organizations in reducing their carbon footprint. This guidance will enhance UNHCR's understanding of the GHG emission hotspots in its value chain, which in turn will enable the organization to apply the different emissions reduction mechanisms. In addition, it will establish a baseline for all the humanitarian organizations supplying CRIs to different populations, including refugees, internally displaced persons, and host communities.

### EXTERNAL / INTER-AGENCY ENGAGEMENT



UNHCR supply teams are actively engaged in inter-agency discussions to comprehensively evaluate and mitigate the direct, indirect, and cumulative environmental impact stemming from humanitarian assistance. Regular meetings are held with sister agencies at the technical level to establish a common action plan for developing CRIs with increased durability and reduced plastic components. In terms of market shaping and capacity development, UNHCR engages with suppliers on its procurement principles and sustainability provision, also through presentations and business-to-business meetings at humanitarian aid expos. Consultations are ongoing with current and prospective suppliers - some of whom are very advanced in using recycled materials and have proposed sustainable alternatives. Market assessments are ongoing in Africa and Latin America to identify opportunities to increase sustainability through diversification of source markets.

## WASTE MANAGEMENT



Among the key actions for reducing GHG emissions and pollution, UNHCR aims to minimize and manage the waste generated by the activities related to goods purchased and distributed to assist refugees and those internally displaced. A concept note on waste management has been developed to support the development of a baseline and a proactive waste management strategy for operations and supply activities. The aim is to develop a framework to reduce and manage waste resulting from the disposal of both the packaging and the items themselves once they reach the end of their life cycle.

## Going forward

Sustainable practices are gradually being incorporated into all UNHCR supply or supply-enabled activities. Quality and sustainability management and compliance will be expanded globally, starting with selected high-impact items. UNHCR will continue to develop greener specifications for additional high-emitting relief items and introduce amendments to the current CRI frame agreements, requesting greener solutions for materials, packaging and palletizing.

In addition to reducing the environmental footprint, these changes also aim to lower costs, which will in turn enable UNHCR to reach more people forced to flee. Moreover, innovative tools to monitor and manage energy consumption, such as green boxes, will be installed in the seven global stockpiles and over 30 warehouses to guide their future solarization, as well as further analyse the global stockpile management network for increased efficiencies.

As a result of the end-user surveys that were conducted in 19 locations in Bangladesh and Pakistan, with over 2,500 forcibly displaced people contributing their views on the different core relief items and associated sustainable supply initiatives, UNHCR will also focus on supply waste management and end-user feedback mechanisms.

The journey to a fully sustainable supply chain is still long, but many significant steps have nonetheless been taken. UNHCR is committed to sustainability as a priority to ensure lasting impact and support for people forced to flee, host communities and the planet.