



UNHCR
The UN Refugee Agency

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Refugee Environmental Protection Fund

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PAGE 4 PHOTOGRAPH:

Refugee children play near one of the schools in Kigeme refugee camp during their summer holidays. Nyamagabe District, Rwanda, UNHCR



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Executive summary

The Refugee Environmental Protection (REP) Fund is a climate finance initiative established by UNHCR to mobilise high-integrity carbon finance in support of environmental restoration and clean energy access in displacement settings. The initiative responds to a structural challenge affecting many refugee-hosting regions: the combination of environmental degradation, energy insecurity and heightened protection risks resulting from reliance on unsustainable biomass fuels.

In 2025, the REP Fund transitioned from design and structuring to implementation readiness. With the procurement process completed and delivery partners selected, preparatory work is now underway to enable implementation across the initial pilot sites in Uganda and Rwanda. At the same time, technical and institutional preparations are advancing in Bangladesh and Brazil to support the next phase of expansion.

The REP Fund's model brings together environmental restoration, energy transition and climate finance within a single operational framework. Clean cooking interventions are designed to reduce reliance on firewood and other biomass fuels, lowering greenhouse gas emissions while also reducing the protection risks faced by women and children who often travel long distances to collect fuel. Landscape restoration activities address deforestation and land degradation in and around refugee settlements to strengthen ecosystem resilience, improve soil and water systems and contribute to long-term carbon sequestration.

Carbon finance serves as the financial backbone of this approach. The Fund operates under a defined carbon strategy that establishes certification pathways, documentation of carbon rights, host-country authorisation processes and revenue allocation arrangements. These mechanisms are designed to meet the integrity requirements of voluntary carbon standards while ensuring that revenues support continued environmental restoration, access to sustainable energy, and community-level benefit sharing in refugee-hosting areas.

Ensuring environmental integrity and social accountability is central to the initiative. The REP Fund has therefore established a monitoring, evaluation and safeguards framework that integrates carbon monitoring requirements with environmental and protection-related indicators. This framework includes baseline establishment, activity data systems, verification planning and grievance mechanisms to support transparency and equitable benefit sharing between refugee and host communities.

In parallel with implementation preparations, the Fund has strengthened its engagement within the global climate finance community. At COP30, the REP Fund contributed to ongoing

discussions on how climate finance mechanisms can be deployed in fragile and displacement-affected contexts. The initiative demonstrated that when appropriate governance, safeguards and carbon integrity systems are in place, refugee-hosting areas can support credible climate mitigation and restoration outcomes while advancing protection and livelihood objectives.

The coming phase will focus on operationalising pilot interventions, advancing carbon project registration and validation milestones, establishing benefit-sharing governance mechanisms and expanding the initiative to additional contexts where regulatory readiness, land availability, delivery capacity and protection considerations allow for responsible implementation.

Through this approach, the REP Fund aims to demonstrate that climate finance can support durable environmental and protection outcomes in displacement settings while creating a scalable model for linking carbon markets with humanitarian and development objectives.



Tree nursery near Bugoma forest, near Kyangwali settlement, Uganda. UNHCR, March 2026.

1. Strategic overview

The [Refugee Environmental Protection \(REP\) Fund](#) was established by UNHCR to mobilise climate finance in support of environmental protection, sustainable energy access and resilience in refugee-hosting areas. Many displacement contexts experience sustained environmental pressure due to the long duration of displacement and the absence of reliable energy infrastructure. Heavy reliance on firewood and other biomass fuels contributes to deforestation, land degradation and ecosystem loss while exposing refugees particularly women and girls to protection risks associated with fuel collection and smoke inhalation.

The REP Fund responds to these intersecting challenges by linking environmental restoration and energy access interventions with climate finance mechanisms, particularly carbon markets. The initiative is structured as a blended finance mechanism targeting an initial capitalisation of USD 30 million, designed to support project development, implementation and long-term environmental stewardship in displacement settings.

Since its inception, the initiative has conducted feasibility assessments across 13 sites in 6 countries, examining environmental potential, biomass consumption patterns, legal frameworks governing carbon rights, land availability, regulatory requirements for carbon credit generation and operational delivery conditions. These assessments informed the selection of the first pilot locations while establishing a broader pipeline for potential implementation. Over the next years, the REP Fund aims to support projects across more than 17 refugee-hosting countries, creating a replicable framework capable of integrating displacement settings into global climate finance systems.

The initiative is guided by a set of operational principles that shape project design and implementation. These include placing protection outcomes and community well-being at the centre of environmental interventions; mobilising catalytic finance to support long-term solutions; ensuring alignment with host government policies and regulatory frameworks; applying rigorous processes to select qualified project developers; and building partnerships that allow the model to scale while maintaining environmental and social integrity.

1.1 Evolution of the REP Fund

The REP Fund was launched in 2021 to explore whether carbon-financed environmental programmes could be developed credibly in displacement settings while maintaining strong protection safeguards and environmental integrity.

Initial work focused on feasibility assessments to determine whether refugee-hosting areas could meet the technical and regulatory requirements necessary for carbon project development. These studies examined several key parameters, including restoration potential, baseline fuelwood consumption, carbon sequestration potential, land tenure conditions, host-country regulatory frameworks governing carbon credit generation and transfer, and the institutional capacity required for project implementation.

Feasibility assessments applied a multi-criteria framework designed to ensure that projects align with national climate priorities and local community needs. Core evaluation criteria included technical viability, regulatory clarity, commercial feasibility, community readiness and government engagement. Projects were also assessed against host-country climate strategies, including Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs) and national forest restoration commitments.

Based on these assessments, pilot locations were identified in Bidibidi and Kyangwali refugee settlements in Uganda and Kigeme refugee camp in Rwanda, where environmental conditions, land availability and government engagement created a viable foundation for project development.

Following the feasibility phase, the initiative entered a structuring stage focused on establishing the institutional, legal and financial architecture required for carbon-financed interventions in humanitarian contexts. This included designing procurement mechanisms for carbon project developers, defining carbon credit ownership arrangements, developing benefit-sharing frameworks and establishing monitoring and safeguards systems capable of meeting both carbon market requirements and UNHCR protection standards.

By 2025, the initiative transitioned from design and structuring to implementation readiness. Procurement processes were completed and delivery partners selected, enabling preparatory activities to begin across the initial pilot sites. These activities include baseline establishment, community consultation processes, nursery development for restoration activities and preparation of documentation required for carbon project validation and registration. In parallel, technical and institutional preparations are advancing in Bangladesh and Brazil, where environmental conditions and policy frameworks present opportunities to extend the REP Fund model to additional displacement contexts.



Community-led efforts to restore degraded landscapes, Uganda. UNHCR, March 2026.

1.2 Carbon and operational architecture

The REP Fund operates through an integrated intervention model combining clean cooking programmes and ecosystem restoration activities. These interventions are designed to address both the drivers and consequences of environmental degradation in displacement settings.

Clean cooking programmes focus on reducing reliance on firewood and charcoal through the deployment of improved cookstoves and alternative energy technologies that meet recognised performance standards. These interventions generate measurable emissions reductions by lowering biomass consumption while also improving indoor air quality and reducing protection risks associated with fuelwood collection.

Landscape restoration activities focus on rehabilitating degraded land through approaches such as agroforestry systems, assisted natural regeneration and community-managed

woodlots. Restoration efforts prioritise native species and biodiversity enhancement while supporting long-term carbon sequestration and improved ecosystem resilience.

Carbon finance provides the mechanism through which these interventions are sustained over time. Projects are developed in alignment with recognised voluntary carbon market standards and methodologies. For household energy interventions, the methodology of reference is [TPDDTEC](#), widely used for improved cookstove and energy access programmes. Restoration activities may apply recognised afforestation and reforestation methodologies under [Gold Standard](#) or Verra's [VCS VM0047](#), depending on site-specific conditions. All projects must comply with the Integrity Council for the Voluntary Carbon Market (ICVCM)'s Core Carbon Principles, ensuring environmental, social and governance integrity across the project lifecycle.

Carbon project development requires the establishment of robust Monitoring, Reporting and Verification (MRV) systems. These systems include baseline establishment, monitoring of intervention deployment and usage, remote sensing for restoration monitoring where applicable, periodic third-party validation and verification of carbon outcomes. Environmental integrity is addressed through established carbon market safeguards. Projects must demonstrate additionality, confirming that interventions would not be financially viable without carbon finance. Restoration projects incorporate long-term permanence commitments, typically through 30-year crediting periods and buffer mechanisms designed to mitigate reversal risks. Leakage risks are addressed through monitoring frameworks that assess whether emissions reductions or restoration activities lead to displacement of environmental pressures elsewhere.

The REP Fund also places significant emphasis on carbon rights and host-country authorisation processes. Projects must obtain formal approvals from host governments - typically through non-objection letters - to ensure legal clarity around land use, carbon credit ownership and credit transfer. Engagement with national climate authorities ensures that project activities remain aligned with national carbon accounting frameworks and do not conflict with host-country climate commitments.

Revenue generated from carbon credits is structured to support project implementation, long-term maintenance of restoration systems, monitoring and verification requirements and benefit-sharing arrangements with refugee and host communities. These arrangements may

include direct employment opportunities, community-level investments, and other forms of locally determined benefit distribution.

Operational delivery is carried out by specialised project developers selected through UNHCR's procurement processes. These partners are responsible for implementing restoration and energy interventions in accordance with defined technical standards while operating within governance frameworks that ensure alignment with UNHCR protection principles, social safeguards, and conflict-sensitive approaches.

Through this architecture, the REP Fund establishes a framework capable of linking environmental restoration, energy transition and climate finance while ensuring that protection outcomes, community participation and environmental integrity remain central to project delivery.

2. Implementation Progress

Following the completion of feasibility assessments and the conclusion of the multi-phase procurement process, the REP Fund has entered an implementation preparation phase across its initial portfolio. Delivery partners have now been selected for the first pilot programmes in Uganda and Rwanda, enabling the transition from feasibility and design toward operational deployment. At the same time, detailed feasibility studies completed in Bangladesh and Brazil have clarified the technical, institutional and financial parameters required to extend the REP Fund model to additional contexts. Across all geographies, current work focuses on baseline establishment, community engagement, government coordination and preparation of project documentation required for validation and registration under recognised carbon standards.

2.1 Uganda and Rwanda projects

The first REP Fund pilots are under preparation phase for implementation in the refugee-hosting areas of Bidibidi and Kyangwali in Uganda and Kigeme in Rwanda. Together, these locations form the initial operational portfolio for integrated clean cooking and ecosystem restoration interventions in displacement settings.

Across the two countries, the programme is expected to reach more than 41,000 refugee and host-community households with improved cooking solutions while restoring or protecting approximately 35,000 hectares of degraded land through assisted natural regeneration, agroforestry systems and community-managed woodlots. Restoration activities will be supported by a network of 15 community nurseries with a planned production capacity of approximately 20 million seedlings, enabling large-scale landscape restoration over time. The programme is also expected to generate more than 6,000 green jobs across restoration activities, nursery management, distribution networks and community monitoring systems.

In Uganda, implementation will take place in the Bidibidi and Kyangwali refugee settlements, two of the largest displacement settings on the planet. Both settlements have experienced significant environmental degradation due to sustained fuelwood demand and land-use pressures associated with large refugee populations and surrounding host communities. The programme has therefore been designed to combine large-scale clean cooking deployment with restoration interventions aimed at reducing biomass pressure while rebuilding tree cover in surrounding landscapes. Clean cooking interventions will focus on the deployment of high efficiency cookstoves meeting Tier 3 performance standards or above, selected through a design process that prioritises durability, affordability and compatibility with local cooking practices. Earlier technical assessments estimated that more than 100,000 households across both settlements rely on traditional biomass cooking systems. The pilot phase therefore focuses on an initial cohort of households while establishing the distribution networks, service systems and monitoring infrastructure required for larger-scale deployment over time. Restoration activities in Uganda will focus on rebuilding tree cover through a combination of assisted natural regeneration, enrichment planting and agroforestry systems implemented across community and district-managed land. Earlier feasibility assessments identified more than 70,000 hectares of restoration opportunity across the broader settlement landscapes. The initial REP Fund programme concentrates on priority zones where land access, community engagement and ecological suitability align, while maintaining the potential to expand restoration activities as nursery capacity and financing grow.

In Rwanda, the pilot programme will be implemented in Kigeme refugee camp and surrounding host-community areas in Nyamagabe District. Rwanda provides a favourable enabling environment for carbon-financed interventions due to its strong climate policy framework and emerging carbon market architecture. The Kigeme project has therefore been

designed as a clean cooking-led transition supported by complementary restoration activities in the surrounding landscape.

The Rwanda programme centres on the deployment of liquefied petroleum gas (LPG) cooking systems, supported by a distribution model that combines stove and cylinder provision with mechanisms designed to improve fuel affordability and supply reliability. Under the current project design, approximately 12,000 LPG stoves will be distributed across refugee and host-community households. The intervention is expected to deliver roughly 97,000 tonnes of carbon dioxide equivalent emissions reductions annually, while significantly reducing reliance on firewood and charcoal.

Complementary restoration interventions will focus on stabilising degraded hillsides and strengthening ecosystem resilience in an area vulnerable to erosion and landslides. Earlier site assessments identified more than 6,800 hectares of potential restoration land in the wider Kigeme landscape, with pilot activities initially targeting priority areas where restoration can deliver both ecological and protection benefits.

Across both countries, implementation partners selected through UNHCR's procurement process are responsible for delivering the technical components of the projects, including cookstove deployment, nursery establishment, restoration implementation, and carbon project development. Preparatory activities currently underway include baseline surveys, restoration planning, community consultations, nursery establishment, and the preparation of project documentation required for validation under recognised carbon standards.



Refugees cooking in Bidibidi settlement, Uganda. UNHCR, November 2020

2.2 Bangladesh

In Bangladesh, the REP Fund has completed a detailed feasibility assessment examining opportunities to apply carbon finance to sustainable energy access and environmental protection interventions in the Cox's Bazar refugee-hosting area, which hosts one of the largest displaced populations in the world. The feasibility study directly contributed to UNHCR and IOM joint LPG tender which incorporated some of the contractual provisions recommended to achieve savings of up to 5% across both organizations.

The feasibility study explored a range of potential carbon-financed interventions, including the continuation of LPG-based cooking systems for approx. 1.2m refugees, and, for the host communities, four commercially viable carbon projects which could be developed by third-parties with limited upfront funding: improved cookstove deployment, afforestation and agroforestry interventions, alternate wetting and drying in rice cultivation, and organic waste composting initiatives which could be expanded across Cox's Bazar District and benefit up to 800,000 people.

Among these options, the LPG programme in the refugee camps represents the largest potential carbon opportunity. Covering approximately 240,000 refugee households, the intervention could deliver around 420,000 tonnes of carbon dioxide equivalent emissions reductions annually, potentially producing between USD 10-15 million in carbon revenue per year, depending on market conditions, which would cover up to 30-35% of the existing activities costs. In other words, every dollar in donor funding could unlock 40 cents in carbon revenue.

Complementary improved cookstove programmes in host communities could reduce an additional 240,000 tonnes of emissions annually assuming 200,000 households in scope, while restoration and land management interventions offer further potential climate benefits. The pre-feasibility work has helped clarify the project's certification pathway, estimated carbon credit volumes and the institutional arrangements required for implementation, while also outlining a preliminary timeline for project registration and future credit issuance.

Building on the technical, financial and regulatory analysis completed during the feasibility phase and endorsement from Ministry of Disaster Management and Relief (MoDMR) and the Refugee Relief and Repatriation Commissioner (RRRC), UNHCR has initiated the procurement process for a carbon-financed LPG intervention in the Cox's Bazar refugee-

hosting area. UNHCR is coordinating closely with IOM on the future carbon project structure and with UNITAR on the introduction of alternative fuels.

Together, these elements establish a clear operational pathway for the first REP Fund intervention in Bangladesh and provide a foundation for the longer-term integration of carbon finance into sustainable energy access in the camps.

Further engagement is required with the new Government of Bangladesh before any of the four projects in the host communities can be initiated.

2.3 Brazil

The REP Fund has also completed a feasibility assessment for a potential ecosystem restoration programme in Roraima state in northern Brazil, focusing on degraded areas within the São Marcos Indigenous Territory.

The study identified approximately 336 hectares of degraded land suitable for restoration through afforestation and assisted natural regeneration interventions. Depending on the final project design and crediting period selected, the intervention could generate between 112,000 and 160,000 tonnes of carbon dioxide removals over a 30–50-year period, corresponding to an average annual sequestration rate of roughly 3,200 tonnes of carbon dioxide equivalent.

The feasibility analysis also examined methodological options under recognised carbon standards, concluding that Gold Standard afforestation and reforestation methodologies are best suited to the ecological and regulatory conditions of the project area. Restoration approaches under consideration include assisted natural regeneration, enrichment planting, agroforestry and native species reforestation.

The study also highlighted the importance of strong governance and community engagement in the development of restoration projects in Indigenous territories. Brazilian law permits carbon projects on Indigenous lands provided that community rights are respected and the principle of Free, Prior and Informed Consent (FPIC) is applied throughout project development. The next phase of work therefore focuses on strengthening institutional

arrangements with representative Indigenous organisations and ensuring that restoration interventions reflect community priorities and governance structures.

In this context, UNHCR has undertaken extensive engagement with the Indigenous governance structures of the São Marcos territory. Presentations on the concepts of carbon credits and reforestation projects with a culturally adapted methodology were delivered as part of this process. During the 27th Assembly of the Tuxauas, which convenes the traditional leadership of the territory’s communities, representatives from 49 Indigenous communities unanimously approved the development of the feasibility study following consultations on its objectives, governance arrangements and expected benefits. This endorsement reflects the significant groundwork conducted with community leaders and organisations during the feasibility phase and provides a strong foundation for advancing the project in line with FPIC principles and Indigenous-led stewardship of the territory.



Community workshop in Kyangwali to learn about clean cooking methods from local artisans. UNHCR, March 2026.

2.4 Cross-cutting lessons

Experience across the REP Fund portfolio has generated several important lessons that are shaping the design and implementation of future interventions.

First, successful project development depends heavily on the quality of enabling conditions. Government engagement, clarity around land and carbon rights, and alignment with national climate strategies are essential prerequisites for carbon-financed interventions in displacement settings. Early collaboration with host governments has therefore become a core element of the REP Fund's implementation approach.

Second, sustained local ownership and institutional buy-in are critical to project viability. Across the feasibility studies and pilot preparation phases, strong collaboration with host governments has been critical to clarify land access arrangements, carbon rights, and regulatory pathways while ensuring alignment with national development and climate priorities. At the same time, structured consultations with refugee and host communities have proven essential for building trust, validating technical assumptions, and ensuring that project design reflects local needs and practices. This dual anchoring—in national institutions and community governance structures—has emerged as a key condition for effective benefit-sharing arrangements and the long-term legitimacy of carbon-financed interventions in displacement settings.

Third, feasibility assessments and co-creation dialogues have reinforced the importance of designing interventions that are both technically sound and operationally realistic. Clean cooking technologies must align with local cooking practices and affordability constraints, while restoration interventions must be adapted to ecological conditions, land tenure arrangements and community priorities.

Fourth, integrated interventions combining energy access and ecosystem restoration deliver stronger environmental and protection outcomes than single-sector approaches. Clean cooking programmes reduce pressure on forest resources and deliver immediate emissions reductions, while restoration interventions rebuild ecosystem services and carbon stocks over longer time horizons. Together, these interventions create reinforcing benefits that improve both environmental resilience and community well-being.

Finally, monitoring, reporting and verification systems must be embedded in project design from the outset. Carbon-financed interventions require robust monitoring frameworks capable of tracking both environmental outcomes and social safeguards. The REP Fund is therefore developing integrated monitoring systems that combine carbon accounting requirements with indicators related to protection outcomes, livelihoods and community participation.

3. Integrity, monitoring and safeguards

Ensuring environmental integrity, social safeguards and transparent accountability is a core requirement of the REP Fund's design. Carbon-financed interventions in displacement settings must meet the highest standards of environmental credibility while simultaneously upholding UNHCR's protection mandate and the rights of affected communities. For this reason, the REP Fund has established an integrated integrity framework that combines carbon market measurement and verification requirements with environmental and social safeguards, institutional oversight mechanisms and community accountability systems.

3.1 Monitoring and Evaluation Framework

REP Fund projects are designed around robust Measurement, Reporting and Verification (MRV) systems that meet the requirements of internationally recognised carbon certification standards while enabling broader monitoring of environmental and social outcomes.

At the project level, MRV systems combine baseline assessments, activity monitoring and periodic verification to track emissions reductions and carbon removals. Baselines are established through a combination of field surveys, household energy assessments, and spatial analysis of land cover and biomass stocks. For restoration interventions, this includes geospatial mapping of restoration areas, ecological assessments of degraded landscapes, and long-term monitoring of tree survival and growth rates. For clean cooking interventions, baseline fuel consumption and cooking practices are assessed through household surveys and fuel use measurements to determine pre-intervention emissions levels.

Following project implementation, activity data is collected through a combination of digital monitoring systems, field verification and remote sensing tools. Restoration projects use geospatial monitoring and satellite imagery to track land-use changes, canopy development and landscape restoration progress over time. Clean cooking programmes employ stove

distribution tracking, user surveys and periodic usage monitoring to verify sustained adoption and ensure that emissions reductions reflect real changes in household energy use.

All REP Fund projects will undergo independent third-party validation and verification under recognised voluntary carbon market standards. Verification cycles will typically occur at regular intervals throughout the crediting period, ensuring that emissions reductions and removals are independently confirmed before carbon credits are issued.

Beyond carbon accounting, the REP Fund's monitoring framework also tracks a broader set of environmental, social and protection indicators. These include metrics related to ecosystem restoration, fuelwood consumption, household energy access, livelihood creation and community participation. Protection-related indicators — such as reduced exposure to firewood collection risks, improved indoor air quality and reduced pressure on surrounding natural resources — are monitored alongside environmental outcomes to ensure that the programme delivers meaningful benefits for both refugees and host communities.



Refugee using a briquette as a clean energy source in Kigeme settlement, Rwanda. UNHCR, November 2021

3.2 Risk management and safeguards

The REP Fund operates in complex humanitarian and environmental contexts, making strong risk management and safeguards systems essential. Projects are therefore designed and

implemented in accordance with UNHCR's policies, complemented by the integrity requirements of carbon certification standards and international human rights frameworks.

Environmental safeguards focus on ensuring that restoration and energy interventions contribute to ecosystem recovery without generating unintended ecological impacts. Restoration projects prioritise native species and biodiversity enhancement, avoid conversion of natural ecosystems and incorporate buffer zones as well as landscape planning approaches to minimise risks related to monoculture planting or ecological imbalance. Long-term permanence risks are addressed through restoration management plans, buffer pools and monitoring protocols required under carbon certification frameworks.

Social safeguards are equally central to project design. All REP Fund interventions are developed through structured community consultations and participatory planning processes, ensuring that both refugee and host communities are actively involved in shaping project design and implementation. Particular attention is given to inclusive participation of women, youth and vulnerable groups, recognising that environmental degradation and energy scarcity often affect these groups most acutely.

Where projects involve Indigenous lands or community-managed territories, the REP Fund applies the principle of Free, Prior and Informed Consent (FPIC) in accordance with international standards. This process ensures that communities have the opportunity to understand project objectives, potential risks and expected benefits before agreeing to participate in project activities. To strengthen transparency and accountability, the REP Fund also establishes community feedback and grievance mechanisms at the project level. These mechanisms allow community members to raise concerns related to project implementation, environmental impacts or benefit-sharing arrangements, and ensure that complaints are reviewed and addressed through transparent processes. This feedback loop is essential for maintaining trust and enabling adaptive management as projects evolve.

Finally, integrity safeguards extend to the Fund's carbon governance architecture. Each project must comply with host country regulatory frameworks governing carbon markets, including requirements related to carbon rights, non-objection letters, and alignment with national climate commitments such as Nationally Determined Contributions (NDCs). The REP Fund avoids double counting or double claiming of emissions reductions by ensuring that all carbon credits generated under its programmes are properly authorised and accounted for under relevant national frameworks.

Together, these monitoring, safeguards and governance systems form the backbone of the REP Fund's integrity framework. By combining rigorous carbon accounting with strong environmental and social protections, the Fund aims to demonstrate that high-integrity climate finance can be deployed responsibly in displacement settings while delivering durable benefits for both people and ecosystems.

4. Strategic engagement and global positioning

Alongside the operational development of its pilot portfolio, the REP Fund has continued to strengthen its international positioning as a leading initiative at the intersection of climate finance, environmental restoration, and displacement. Strategic engagement during the reporting period focused on demonstrating the operational viability of carbon-financed environmental interventions in refugee-hosting areas, strengthening partnerships with governments and private sector actors, and contributing to emerging global discussions on how climate finance can better reach fragile and displacement-affected contexts.

These efforts aim not only to mobilise resources for REP Fund implementation but also to help shift the broader narrative around displacement settings — from being viewed solely as humanitarian contexts requiring short-term assistance, to being recognised as places where long-term climate solutions can be implemented responsibly and at scale.

4.1 COP30

COP30 represented a major milestone for the international positioning of the REP Fund, marking the public launch of the first large-scale carbon-financed environmental protection initiatives in refugee-hosting areas. COP30 provided a global platform to demonstrate that displacement settings — often perceived solely through a humanitarian lens — can also serve as credible and investable environments for high-integrity climate mitigation and ecosystem restoration projects.

During COP30, UNHCR [formally announced the launch of the REP Fund pilot programmes in Uganda and Rwanda](#), positioning the initiative as one of the first efforts to operationalise carbon finance for environmental protection and energy transition at scale in displacement

contexts. The announcement was accompanied by coverage across a range of international media outlets, reflecting growing interest in innovative financing solutions for climate action in displacement settings.

Beyond the formal launch, the REP Fund maintained a strong presence across the COP30 programme through 8 flagship events and speaking roles, contributing to more than 45 engagements overall across climate finance, voluntary carbon market, and nature-based solution discussions.

UNHCR hosted 4 dedicated REP Fund events during the conference:

- High-level launch of the REP Fund pilots in Uganda and Rwanda with Oliver Wyman, DLA Piper and Standard Chartered Bank bringing together leaders from the climate finance, legal and banking communities to discuss investment pathways for environmental restoration in displacement settings.
- Cross-sector panel on unlocking private capital for fragile contexts, convened with Federated Hermes, EY, and the U.S. Chamber of Commerce, examining how blended finance structures can mobilise private investment into complex operating environments.
- Panel on innovative financing mechanisms, co-hosted with the International Chamber of Commerce (ICC) and featuring partners including Salesforce, the African Development Bank, CGIAR, and the Adaptation Fund.
- Presentation of feasibility study findings for the São Marcos restoration project in Roraima, Brazil, highlighting the potential for Indigenous-led ecosystem restoration initiatives supported by carbon finance, with contributions from ECCON, BRCiS and the Red Cross Climate Centre.

In addition, REP Fund representatives participated in 4 major speaking engagements across the COP programme, addressing topics including climate security, voluntary carbon markets in humanitarian settings, nature-positive financing, and emerging Article 6 mechanisms under the Paris Agreement.

Together, these engagements positioned the REP Fund as a reference initiative in emerging discussions on how climate finance can reach fragile and displacement-affected contexts. The strong interest generated during COP30 also reinforced the growing recognition among financial institutions, carbon market actors and policy stakeholders that refugee-hosting areas represent both an urgent climate challenge and a significant opportunity for high-impact climate investment when projects are designed with robust safeguards and credible governance frameworks.



Refugee collecting firewood in a reforested area near Bugoma forest, Uganda. UNHCR, March 2026.

4.2 Strategic partnerships and communications

Strategic partnerships remain central to the REP Fund’s ability to scale its model and mobilise long-term financing. During the reporting period, UNHCR continued to deepen collaboration with a range of partners across the humanitarian, development, climate and private sectors. Partnerships with host governments remain the foundation of the REP Fund’s operational model. In Uganda and Rwanda, close collaboration with national and local authorities has enabled alignment with national climate strategies, facilitated access to land for restoration activities, and supported regulatory processes related to carbon project development. Government institutions have also played an active role in feasibility assessments, field missions and project design discussions.

At the international level, UNHCR has continued to engage with development finance institutions, philanthropic actors and bilateral donors to support the expansion of the REP Fund model. These partnerships help mobilise catalytic funding for feasibility assessments, early-stage project development and institutional capacity building - activities that are often difficult to finance through carbon markets alone.

For example, the REP Fund model was featured by the Ugandan Government at an Energy Transition Roundtable at the International Business Forum as a actionable financing mechanism that is already working as a solution to the broader financing challenges. The Forum itself was part of the broader Financing for Development Conference that was held in Seville in July 2025.

Private sector engagement is also growing as the REP Fund advances toward project registration and credit issuance. Carbon buyers and corporate partners are increasingly seeking opportunities to support projects that combine high-integrity emissions reductions with tangible social and environmental co-benefits, positioning the REP Fund as a potential source of high-quality credits aligned with emerging integrity frameworks.

In September of 2025, the REP Fund was highlighted during a session at the Asian Venture Philanthropy Network Annual Summit in Hong Kong. In addition, a high-level corporate roundtable was hosted by Oliver Wyman in Tokyo, bringing together Japanese multinationals interested in the REP Fund model.

In addition, the REP Fund was featured during UNHCR's Global Refugee Forum Progress Review in December 2025 in Geneva. As part of the high-level side event *Rethinking Refugee Finance: Innovation in an Era of Mounting Pressures*. Alongside partners including the EU and Proparco, the REP Fund was recognized as a new paradigm in structuring multi-stakeholder partnerships for impact in humanitarian and fragile settings.

Collaboration with technical and research partners also continues to play an important role in strengthening project design, monitoring systems and environmental impact assessment methodologies. These partnerships help ensure that the REP Fund remains aligned with evolving best practices in climate finance, restoration science and humanitarian programme delivery.

Finally, strategic communication represents an equally important component of the REP Fund's global positioning efforts. During the reporting period, UNHCR has prioritised communication efforts that highlight the REP Fund as a practical demonstration of how climate finance can be applied in displacement settings. Public-facing materials, technical briefings and stakeholder engagements have focused on explaining the Fund's integrated design, its carbon integrity framework, and the protection outcomes associated with clean cooking and ecosystem restoration interventions.

Communication efforts also aim to support knowledge sharing across the humanitarian and climate finance sectors. As the REP Fund moves toward operational implementation, documenting lessons related to procurement processes, project design, carbon methodologies and benefit-sharing arrangements will be essential to inform similar initiatives in other contexts.

Looking ahead, continued communication and knowledge exchange will play an important role in ensuring that the REP Fund contributes not only to environmental protection and energy access in specific locations, but also to the broader global effort to mobilise climate finance for vulnerable and displacement-affected communities.

5. Pipeline expansion and future outlook

As the REP Fund moves from pilot preparation toward implementation, the next phase of work focuses on scaling the model to additional displacement contexts while strengthening the financial and institutional partnerships required to sustain long-term delivery. Building on the technical foundations established through the first pilot sites and feasibility assessments, the Fund is now advancing a structured expansion strategy that combines geographic growth with the mobilisation of catalytic public and private capital.

Expansion will continue to follow a disciplined approach grounded in technical feasibility, government engagement, community readiness and carbon market viability, ensuring that new projects maintain the same standards of environmental integrity, social safeguards and protection outcomes established in the initial portfolio.

5.1 Geographic expansion

The REP Fund's expansion strategy builds on feasibility assessments already conducted across 13 potential sites in 6 countries, which have helped identify locations where environmental degradation, energy access challenges and protection risks intersect with opportunities for carbon-financed interventions.

Beyond the initial pilots in Uganda and Rwanda and feasibility work completed in Bangladesh and Brazil, the Fund is now exploring additional opportunities in several displacement contexts where integrated clean cooking and ecosystem restoration interventions could deliver both climate and protection outcomes.

Priority countries under consideration include Kenya, Mozambique, Tanzania, and Chad, where environmental pressures associated with displacement — particularly fuelwood demand and land degradation — create both urgent environmental challenges and opportunities for large-scale mitigation and restoration programmes.

- In Kenya, early scoping work is examining opportunities to deploy integrated clean cooking and landscape restoration interventions in refugee-hosting areas such as Kakuma and Kalobeyi. These areas have experienced sustained pressure on surrounding ecosystems due to long-term biomass dependence, making them strong candidates for interventions that combine energy transition with landscape recovery.
- In Mozambique and Tanzania, preliminary assessments are exploring opportunities to support restoration and clean energy interventions in displacement-affected areas where deforestation and ecosystem degradation have intensified in recent years. Integrated interventions combining clean cooking deployment with restoration activities could contribute both to emissions reductions and to improved environmental resilience in these contexts.
- In Chad, early discussions are focused on refugee-hosting areas in the Sahel region, where environmental degradation, water scarcity, and biomass dependence place significant pressure on fragile ecosystems. Carbon-financed restoration and energy access interventions could support efforts to reduce environmental stress while strengthening resilience for both refugees and host communities.

Across these countries, feasibility work will focus on identifying priority sites, assessing regulatory conditions related to carbon rights and authorisation requirements, and ensuring that project design reflects local environmental conditions, national climate strategies, and community priorities. Taken together, these efforts contribute to the REP Fund's longer-term ambition of developing a diversified portfolio of projects across more than 17 displacement-affected countries, demonstrating that refugee-hosting areas can become credible destinations for high-integrity climate finance when projects are designed with robust safeguards and strong institutional partnerships.

5.2 2026 priorities and beyond

In parallel with geographic expansion, the REP Fund's immediate priorities focus on advancing implementation readiness and strengthening the financial partnerships required to support long-term scale.

Key operational priorities for 2026 include:

- Finalising implementation preparations and project registration processes for the pilot programmes in Uganda and Rwanda, including baseline establishment, MRV system deployment and validation under recognised carbon certification standards.
- Advancing procurement and project structuring for the Bangladesh LPG carbon project, building on the feasibility work conducted in Cox's Bazar.
- Continuing technical development and partnership discussions related to the Brazil restoration project in the São Marcos Indigenous Territory, including strengthening Indigenous governance arrangements and project design.
- Initiating feasibility assessments and early-stage scoping work in the next set of priority countries identified under the Fund's expansion strategy.

Alongside operational priorities, a major focus for the coming period will be the mobilisation of catalytic financing to support portfolio expansion. The REP Fund is designed as a USD 30 million blended finance vehicle, combining donor contributions, philanthropic support and carbon market revenues to finance environmental protection and energy transition interventions in displacement settings.

Engagement with government donors and development finance institutions will therefore remain a central priority, particularly to support feasibility assessments, early-stage project development and institutional capacity building in new countries. These early-stage activities are critical to preparing projects that can later attract performance-based financing through carbon markets. At the same time, the REP Fund is expanding engagement with corporate partners and voluntary carbon market actors interested in high-integrity carbon credits that deliver measurable social and environmental co-benefits. Corporations seeking credible climate contributions are increasingly looking for projects that combine emissions reductions with tangible development and protection outcomes — positioning the REP Fund as a potential source of high-quality credits aligned with emerging integrity frameworks.

Strategic partnerships with financial institutions, corporates and philanthropic actors will therefore play an important role in enabling the Fund to scale beyond the initial pilot portfolio. Looking ahead, the REP Fund aims to demonstrate that climate finance can be mobilised responsibly and at scale in displacement settings, delivering measurable emissions

reductions, ecosystem restoration and improved protection outcomes for refugees and host communities alike.

Expansion will occur through both horizontal scaling, by introducing the model in new countries, and vertical scaling, by expanding activities within existing host countries where pilots demonstrate strong results and supportive policy environments. This phased approach allows the REP Fund to maintain high standards of environmental integrity and social safeguards while gradually increasing the scale of climate finance directed toward refugee-hosting areas. By combining carbon revenues, donor support and private sector engagement, the Fund seeks to demonstrate that displacement settings can become long-term beneficiaries of global climate finance — contributing not only to emissions reductions and ecosystem restoration, but also to improved protection outcomes and sustainable livelihoods for some of the world’s most vulnerable communities.



Landscape view of Kigeme, Rwanda. UNHCR, February 2025.



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