



USAID
FROM THE AMERICAN PEOPLE

NOVEMBER 2021

USAID Climate Strategy 2022-2030

DRAFT for Public Review



USAID Climate Strategy 2022-2030 – Draft for Public Review

Comments will be accepted until November 24, 2021

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I. INTRODUCTION

Climate change is a planetary crisis that is leaving no corner of the world untouched. Failure to aggressively address this crisis will have dire consequences for us all. Conversely, responding to the climate crisis helps avoid these dangerous consequences, and incentivizes economic, technological, ecological, and socio-political innovations in the very systems it threatens.

Climate change affects the frequency, intensity, and duration of extreme weather events, alters precipitation patterns, disrupts ecological systems, and causes temperatures and sea levels to rise. These changes in turn exacerbate economic, socio-cultural, and ecological inequities, and contribute to hunger, poverty, malnutrition, displacement, fragility, and increased mortality.

USAID's current approaches to addressing several issues is still evolving in tandem with emerging USG policies, including fossil fuels. For more information, see Annex II.

Climate change impacts go beyond just the environmental sector to affect human health, nutrition and food security, ecosystems and biodiversity, peace and stability, and access to essential services, such as health care, water, sanitation and hygiene, and education. Climate change threatens to drive increases in maternal and child malnutrition, is an increasing threat to national security, and contributes to migration, displacement and increased pressure on scarce government resources. Climate change also exacerbates inequalities, increasing the vulnerability of marginalized and underrepresented populations to gender-based violence, dispossession, and disempowerment.¹

The climate crisis is occurring concurrently with other global crises, including the COVID-19 pandemic, food and water insecurity, accelerated extinctions, and increasing violence and conflict. All of these make addressing the climate crisis more difficult. However, concurrent crises may also provide opportunities to leverage resources and political will to achieve the transformative change necessary and envisioned in this Strategy.

Addressing climate change is a top priority for USAID as part of the U.S. Government's renewed and strengthened commitments to building climate resilience and helping limit warming to 1.5 degrees Celsius as called for under the Paris Agreement. At home, the US faces disruption to our food and water supplies and more frequent and severe disasters. Around the world, climate change is threatening U.S. national interests through greater conflict, migration, and disasters. Within the larger U.S. Government effort, USAID plays a leading international role by working on the ground with partner governments and local actors to strengthen mitigation and adaptation.

This Climate Strategy, spanning from 2022 to 2030, represents an effort to align USAID's programs and investments with the significant challenges confronting us while drawing on our strengths as an international development agency, which include our global presence, longevity in many of our partner countries, and breadth of technical and development expertise (see USAID's Strengths graphic).

¹ USAID conducted a detailed gender analysis to inform this climate strategy.

USAID's Strengths



Global Presence

Strong on-the-ground presence globally enables USAID to amplify and build on local priorities in creating sustainable climate actions that are locally-led and locally valued.



Longevity

Long and consistent history of working with partner countries, organizations, the private sector, and communities situates USAID as a trusted and influential partner.



Technical Expertise

USAID's in-depth sectorial technical expertise combined with contextual understanding of local economic, political, cultural, and institutional landscapes is unsurpassed in the US government.

USAID will ensure that human rights and equity are woven carefully throughout our efforts to ensure our ambitious climate actions achieve sustainable impacts.

II. OUR TARGETS FOR ACHIEVEMENT: 2022-2030

This Strategy sets six high level targets that represent the breadth of achievements USAID aims to generate by 2030:

- USAID partner countries will reduce, avoid, or sequester six billion metric tons of carbon dioxide equivalent through activities supported by USAID by 2030.
- USAID will mobilize \$150 billion in public and private finance for climate by 2030.
- USAID will enable the improved climate resilience of 500 million people by 2030.
- In at least 80 partner countries, USAID will align its country programming by 2024 with Nationally Determined Contributions and National Adaptation Plans and priorities, and, with USAID support, at least half of these countries will demonstrate significant and sustained progress toward achieving country commitments by 2030.
- USAID will support the protection, restoration, or management of 100 million hectares with a climate mitigation benefit by 2030.
- USAID will support structural changes that improve participation and leadership for Indigenous Peoples, local communities, women and youth in climate action in at least 40 partner countries by 2030.

Targets are calculated starting from 2022 and will cover the period 2022 - 2030. Draft targets are in line with requested funding levels and interim targets will also be set and reported, including those to be achieved by January 2025.

2022-2030 Climate Strategy Targets

(Targets are based on assumptions outlined in Annex I)

Mitigation:
CO₂e reduced

6
Billion metric tons



Finance:
Public and private finance mobilized

150
Billion dollars



Adaptation:
People supported to be climate resilient

500
Million people



Country Support:
NDCs/NAPs supported

80
Countries supported



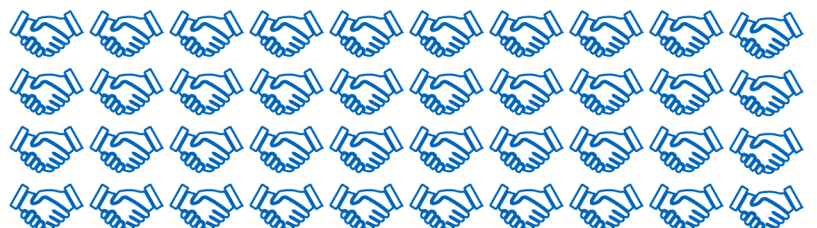
Land Use:
Hectares protected, restored, or managed

100
Million hectares



Critical Populations
Increase engagement and partnerships

40
Country partnerships strengthened



Building on lessons learned from our previous strategy and over 40 listening sessions with partners and stakeholders from around the world, this Climate Strategy transitions USAID towards a much more holistic and Agency-wide approach. This transition requires decreasing emphasis on some interventions while continuing or increasing the emphasis on interventions that can achieve the necessary scale and impact we seek, taking into account the contexts in which we work (see Strategic Shifts graphic).

Strategic Shifts: How our approach is changing



III. STRATEGIC FRAMEWORK

As reflected in the most recent Intergovernmental Panel on Climate Change report,² this is a critical moment for setting the global climate trajectory and ensuring future generations are not subjected to the most devastating effects of climate change. Under this new Strategy, USAID is motivated by a vision of a **resilient, prosperous, and equitable world with net-zero emissions.**

As a step toward that vision, this Strategy will guide USAID's efforts through 2030 to **advance equitable and ambitious actions to confront the climate crisis.** This goal will be achieved through two Strategic Objectives (SO) that allow USAID to **facilitate targeted direct action** (SO 1) and **drive systems change** (SO 2). These two strategic objectives are mutually reinforcing; many programs and activities will contribute to both, in parallel or sequentially. USAID will also demonstrate our commitment to addressing the climate crisis by transforming the way the Agency operates through a Special Objective (SpO) where USAID commits to **doing our part** by transforming our own operations to substantially reduce carbon emissions and adapt to the climate crisis.

To achieve these strategic objectives, USAID will take an “all hands on deck” approach, engaging every Bureau and Mission throughout the Agency worldwide to achieve our climate goals. Our success will require harnessing a combination of dedicated climate and other sectoral funding as **we take a holistic approach to climate change programming**, integrating climate into all areas of our development and humanitarian assistance and expanding definitions of success in all sectors to include climate goals. This will involve not just targeted actions but also the methodical and long-term work of influencing the systems that shape economies and societies.

Throughout implementation of this Strategy, USAID will consult and partner with those most vulnerable to climate change, including Indigenous Peoples, women, youth, and marginalized and underrepresented populations, to avoid unintended harm and maximize local benefits. Further, five important principles will be embedded into all actions taken under this strategy as reflected in the graphic below and woven throughout the following pages.

The dual climate change priorities of **mitigation** (reducing emissions) and **adaptation** (improving resilience to climate impacts) cut across the strategic objectives and are embedded throughout the framework. Under the first strategic objective, USAID addresses adaptation and mitigation through separate but mutually reinforcing efforts to ensure that the most urgent needs of each priority are met. Under the second strategic objective, USAID will prioritize efforts to transform systems over the long-term in ways that address both adaptation and mitigation needs together.

² IPCC, 2021: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Masson-Delmotte, V., P. Zhai, A. Pirani, S. L. Connors, C. Péan, S. Berger, N. Caud, Y. Chen, L. Goldfarb, M. I. Gomis, M. Huang, K. Leitzell, E. Lonnoy, J. B. R. Matthews, T. K. Maycock, T. Waterfield, O. Yelekçi, R. Yu and B. Zhou (eds.)]. Cambridge University Press. In Press

Strategic Framework

VISION: A resilient, prosperous, and equitable world with net-zero emissions

GOAL: To advance equitable and ambitious actions to confront the climate crisis

SO 1. FACILITATE TARGETED DIRECT ACTION

Accelerate and scale targeted climate actions

IR 1.1 Reduce Emissions

Catalyze urgent emissions reductions (mitigation)

IR 1.2 Build Resilience

Strengthen climate resilience of populations vulnerable to climate impacts (adaptation)

IR 1.3 Mobilize Finance

Increase the flow of and equitable access to finance to support adaptation and mitigation

IR 1.4 Partner with IPLCs

Partner with Indigenous Peoples and local communities to lead climate actions

IR 1.5 Amplify Crucial Voices

Enable and empower women and youth - in all their diversity - to lead climate action

Embedded Principles

Locally-Led Development



Private Sector Engagement



Nature-based Solutions



Equity and Inclusion



Evidence and Innovation



SO 2. DRIVE SYSTEMS CHANGE

Catalyze transformative shifts to net-zero and climate-resilient pathways

IR 2.1 Transform Key Systems

Advance transformation of key systems and essential services to reduce emissions and enhance climate resilience

IR 2.2 Shift Market Signals

Support a transition to resilient, net-zero economies and financial systems

IR 2.3 Improve Governance

Strengthen responsive, transparent governance and citizen engagement for effective climate action

IR 2.4 Work Across Assistance Types

Strengthen the coordination of humanitarian, development, and peacebuilding assistance to address climate impacts

SpO 3. DO OUR PART

Strengthen operations and approaches to programming to address climate change and further climate justice within USAID and our partner organizations

This Strategic Framework relies on Strategic Objectives (SO), Intermediate Results (IR), a Special Objective (SpO), and Embedded Principles to reach the goal and meet the targets of the Strategy

Strategic Objective 1: Facilitate Targeted Direct Action: Accelerate and scale targeted climate actions

USAID will take, support, and facilitate targeted direct action to confront the most urgent demands of the climate crisis -- focusing on climate mitigation and adaptation efforts in priority geographies and contexts to have maximum impact, while mobilizing increased finance and partnering with Indigenous Peoples and local communities, women and youth in locally-led efforts to address the climate crisis.

Strategic Objective 1 will build off of and support our partners' climate plans, policies, and strategies, and seek to facilitate and motivate the transformative change sought under Strategic Objective 2, which focuses on systems change.

Intermediate Result 1.1: Catalyze urgent emissions reductions (mitigation): As energy and land-use emissions continue to increase dramatically in USAID partner countries, targeted mitigation action is necessary to limit growth in future emissions and increase carbon sequestration while stimulating equitable economic growth. Under this IR, USAID will work with partners to reduce emissions from energy, urban areas, transportation, industry, food systems, and land use, including agriculture and deforestation. Through these actions, among others, USAID will help partner countries reach near-term climate goals and avoid locking in longer-term emissions trajectories. Pursuing an equitable transition to reduced emissions from the energy and land use sectors will have many economic, health, and social benefits.

Actions under this IR will include, but are not limited to:

- Partner with countries to identify and implement additional mitigation opportunities that align with country priorities and **bolster their Nationally Determined Contributions** under the Paris Agreement.
- Launch new partnerships with the private sector to **reduce deforestation and increase native forest restoration** in commodity supply chains.
- Protect, manage, and restore forests, mangroves, peatlands, and other **high-carbon ecosystems** to achieve climate mitigation benefits.
- Accelerate the **deployment of proven technologies**, such as renewable energy, and practices and **identify opportunities to support emerging and mature technology transfer** relevant to the context of USAID partner countries.
- Continue to integrate renewables into the electricity grid, and **expand and strengthen electricity grids**.
- **Incentivize energy efficiency** to enable economic growth at lower cost and emissions intensity.
- Support countries to analyze, plan and implement actions to **reduce emissions from industry, buildings and transport** by switching to clean energy sources and introducing technologies, processes and behaviors that reduce energy intensity.
- Help partner countries reduce emissions of **short-lived climate pollutants**, such as methane (e.g. agriculture, waste, and fossil fuels) and black carbon (e.g. high-emitting vehicles, residential energy, and biomass burning).
- Conduct political economy, economic, and social inclusion analyses to identify **cost-effective, equitable mitigation** approaches.
- Promote wide adoption of natural **carbon sequestration through agriculture**, such as agroforestry, soil carbon enhancement, and pasture management.
- Collaborate with partner countries to reduce **food loss and waste** in agriculture and food systems.



Principle: Locally-Led Development. Sustainable and equitable climate actions should be locally-led, owned, and implemented; adhere to Free, Prior, and Informed Consent; and be tailored and context-appropriate. USAID will defer decision-making authority and leadership to local actors to the greatest extent possible, including to governments at all levels, local private sector actors, universities, and Indigenous Peoples and local communities. Locally-led action focuses on respecting and protecting rights, enabling self-determined development, creating decent jobs, and ensuring that local knowledge and expertise drive USAID’s work.

Intermediate Result 1.2: Strengthen climate resilience of populations vulnerable to climate impacts (adaptation): Climate impacts are pervasive and have disparate and disproportionate impacts across sectors, populations and groups, and geographies. These impacts pose new risks, aggravate existing social, economic, and political challenges and inequities, drive migration, and degrade ecosystems and natural resources. Under this IR, USAID will support and scale actions that build the climate resilience of populations and geographies that are vulnerable to the impacts of climate change. Actions taken under this IR will help people, communities and countries anticipate, prepare for, and adapt to current and future climate impacts while fostering human dignity and hope by harnessing the robust evidence that adaptation approaches save lives, reduce food and water insecurity and malnutrition, safeguard livelihoods, and improve health outcomes.^{3,4} These actions will directly support the implementation of countries’ national and local adaptation priorities as identified through relevant plans and strategies, including Nationally Determined Contributions and National Adaptation Plans under the Paris Agreement.

Actions under this IR will include, but are not limited to:

- Build on and significantly scale our work on **climate services and institutional capacity** for risk informed planning and decision-making.
- Promote **climate resilient livelihoods and markets**.
- Build **private sector capacity** to catalyze adaptation action.
- Support **disaster risk reduction** and early warning systems.
- Support **climate-sensitive peacebuilding efforts** in climate-affected, fragile contexts.
- Implement **nature-based solutions** in support of adaptation and other co-benefits.
- Support countries to **increase resilience of key infrastructure sectors** and strengthen measures to protect against and respond to the impacts of climate change.
- Support the development and wide-spread adoption of **climate-adapted agriculture, livestock, and fisheries** practices and technologies.
- Address water scarcity and unpredictability through **improved water resources management**.
- Work with local communities, national governments and regional institutions to **strengthen their leadership, agency, and capacity** to assess and address risks from climate variability and change, develop adaptation plans, craft responsive and proactive policies, and establish aligned budgetary priorities.

³ Dicker, S., S. Unsworth, R. Byrnes and B. Ward. 2021. Saving lives and livelihoods: The benefits of investments in climate change adaptation and resilience. London: Grantham Research Institute on Climate Change and the Environment and Centre for Climate Change Economics and Policy, London School of Economics and Political Science.

⁴ Hallegatte, Stephane. Shock waves: managing the impacts of climate change on poverty. World Bank Publications, 2016.



Principle: Equity and Inclusion. Equitable and inclusive action is critical to sustaining bold climate ambition. USAID will center its actions in the context of the diverse communities in which USAID works, committing to empowering accessible and inclusive approaches through which local communities and the marginalized groups within them -- in particular, Indigenous Peoples and those people and groups often excluded from decision and policy making, funding, and benefit sharing -- are meaningfully engaged as climate change agents. USAID will also confront the entrenched power structures that create and maintain inequalities.

- **Strengthen local governance** and inclusive approaches that empower and increase the resilience of populations most vulnerable to climate impacts, **including migrants**.
- Expand our efforts to build resilience by holistically addressing risks, including climate risks, and by **aligning with the Agency's broader [Resilience Policy](#)**.
- Broaden our approach to climate adaptation by **integrating adaptation into sectoral activities** to improve access to and quality of education, governance, health care and nutrition services, family planning, jobs, water and sanitation, basic services and social protection, which play an important role in building resilience to climate change.
- **Identify and work within the unique local contexts** that shape the effects of climate change on individuals and communities.

Intermediate Result 1.3: Increase the flow of and equitable access to finance to support adaptation and mitigation: Additional resources are needed across all sectors and at all levels, ranging from national government investments like electric grids that can handle extensive clean power sources, down to the community level for actions like reforestation to reduce flood risks. Under this IR, USAID will provide and mobilize finance to support climate actions, especially those focused on adaptation and mitigation. This greater focus on inclusive climate finance will deliver significant emissions reductions while increasing economic productivity, creating decent jobs, and improving quality of life. It will also support climate-adapted agriculture, sustainable water and sanitation services, health and education services, resilient infrastructure, ecosystem protection, assistance to populations after climate shocks, and nature-based solutions.

Actions under this IR will include, but are not limited to:

- Support **bringing finance to riskier geographies, sectors, populations, and communities** through efforts that convene, co-invest, de-risk, and catalyze private and public finance to where it can be most impactful, and address systemic constraints in climate mitigation and adaptation efforts.
- Activate USAID's extensive **network of investment officers** and employ a **broad toolbox of approaches** to mobilize climate finance, including blended finance, loan guarantees and other de-risking tools, insurance, green bonds, renewable energy auctions, and investments to "green" supply chains.

Animal, Environment, and Public Health Connection

The COVID-19 pandemic is one of the greatest health challenges in a century. Since the start of the outbreak, USAID has provided billions of dollars to fight COVID-19 in more than 120 countries. The pandemic is a strong reminder of the connection between animals, humans and the environment, and the effect an emerging pathogen can have on global health and economies. Climate change, land use change, deforestation and other drivers are increasing contact between animals and people in new and risky ways, leading to more disease transmissions across species and borders. As our climate change efforts ramp up, USAID is committed to address the interconnections between public health, animal health, agriculture, and environment through its Global Health Security Program, using a multisectoral One Health approach to reduce opportunities for future infectious disease outbreaks.



Principle: Private Sector Engagement. USAID must partner and engage with the private sector to address climate change and its impacts, create decent green jobs, and avoid generating adverse impacts. Serving as both a catalyst and a partner to private companies and investors will greatly expand the scale, impact, and sustainability of USAID's programs. USAID will be alert through our on-the-ground presence to private sector engagements that will drive environmental and/or human rights abuses and will seek to engage those actors proactively to address the issues at hand wherever feasible.

- Partner with the U.S. Government's International Development Finance Corporation, U.S. Trade Representative, Millennium Challenge Corporation and other U.S. Government agencies to **develop a project pipeline, increase access to capital, and create enabling environment reforms.**
- Enhance the ability of entrepreneurs and our partners to **seek financing, conduct feasibility studies, and assess the economic viability of projects.**
- Work to **enhance political will and partnerships** to mobilize domestic resources--public and private--and support inclusive approaches and access to climate finance, including the Green Climate Fund.
- Develop tools that leverage approaches of locally-led development to ensure such tools **meet local priorities and needs.**
- Include incentives, capacity development, and comprehensive environmental and social safeguards to **ensure transparent and accountable governance of investments** and avoidance of harm.
- Work to advance **strong standards of transparency and accountability** in the selection of recipients, the disbursement of funding, and the monitoring of results, including support for citizen oversight of climate financing and projects.

Intermediate Result 1.4: Partner with Indigenous Peoples and local communities to lead climate actions: Indigenous Peoples and local communities⁵ are key stakeholders and agents of change in addressing the climate crisis. Indigenous Peoples and local communities own or manage more than a quarter of the world's lands, which intersect with 40% of land-based Protected Areas and intact landscapes, and there is clear and growing evidence that the lands that Indigenous Peoples and local communities manage are highly effective at sequestering emissions. Indigenous Peoples' and local communities' relationships with the environment are profoundly affected by climate change, yet they are frequently excluded from climate decision-making processes. This minimizes their ownership, voice, knowledge and leadership, and detracts from global efforts to address climate change. Under this IR, USAID will partner with Indigenous Peoples and local communities to lead climate actions, measuring success not only by increased resilience and reduced emissions, but also through the increased agency and leadership these groups play in affecting change. Through these partnerships, USAID will help accelerate global efforts to sustainably and equitably address the climate crisis. Our work with Indigenous Peoples and local communities will be in line with our USAID [Policy on Promoting the Rights of Indigenous Peoples](#) (PRO-IP).

⁵ [Policy on Promoting the Rights of Indigenous Peoples](#) outlines the set of criteria USAID uses to identify Indigenous Peoples.



Principle: Nature-based Solutions. Nature-based solutions are essential to limiting global temperature increase to 1.5 degrees Celsius and adapting to climate change. Forests, peatlands, and other ecosystems absorb and store large amounts of carbon, reduce disaster risk, and support livelihoods, food and water security, and health. USAID will elevate the use of nature-based solutions to simultaneously reduce emissions and store carbon, adapt to the impacts of climate change, and conserve and restore ecosystems.

Actions under this IR will include, but are not limited to:

- Build partnerships with Indigenous Peoples and local communities to **strengthen capacities and leadership opportunities.**
- **Promote legal recognition of their tenure rights.**
- Support **innovative climate financing** that directly benefits the communities.
- Promote an **enabling political environment** at the country level for Indigenous Peoples and local communities rights and economic development.
- Establish and expand more **direct channels of funding to Indigenous Peoples and local communities** organizations and networks through co-creation methodologies.
- Pursue **meaningful consultation** with Indigenous Peoples and **seek Free Prior and Informed Consent⁶**, as appropriate.
- Work with partner countries to ensure Indigenous Peoples and local communities **participate in the development and implementation** of Nationally Determined Contributions and National Adaptation Plans
- Improve Indigenous Peoples and local communities **access to climate information** and strengthen their **participation in monitoring, reporting, and verifying** of emissions.

Intermediate Result 1.5: Enable and empower women and youth, in all their diversity, to lead climate actions: Separately and as they intersect, women and youth—in all their diversity—constitute 75% of the world’s population and are leading many of the most influential climate movements around the world. A successful approach to climate programming should recognize women and youth as leaders with knowledge and skills vital to addressing the climate crisis. Successful climate action should also take an intersectional approach that promotes the agency and leadership of marginalized and underrepresented populations of women and youth.

Women have unique knowledge, skills, and networks that make them critical stakeholders in designing and implementing climate solutions. Work under this IR will take into account the gender norms that shape the lived realities of people, examine the gendered power dynamics that dictate access to and control over resources, and ensure that climate solutions do not exacerbate gender inequality or lead to unintended consequences, such as gender-based violence. This work will be guided by and adhere to the requirements of [USAID’s Gender Equality and Women’s Empowerment Policy](#). Under this IR, USAID will work with women, in all of their diversity, to identify and implement climate actions, measuring success not only by increased resilience and reduced emissions, but also through the increased agency and leadership of women in their roles as climate change makers.

⁶ The conditions and requirements for how USAID approaches FPIC are detailed in the PRO-IP (Policy on Promoting the Rights of Indigenous Peoples).



Principle: Evidence and Innovation. USAID will work closely with scientists, academics, practitioners and entrepreneurs, drawing especially on local experts, to help unlock and promote innovative and proven, context-appropriate climate solutions. By leveraging local knowledge and practice, new research, data collection and analysis, as well as exploring and scaling promising technologies, USAID will develop and apply the evidence and innovations necessary to mitigate and adapt to the climate crisis.

Actions under this IR include, but are not limited to:

- Support behavior change and communications campaigns that help **increase acceptance of women’s participation and leadership on climate actions**, identify and hold up women as agents of positive change and work with male champions to support and encourage women’s active participation.
- Increase **financial and technical resources for women-led and gender equality organizations** to enable a leadership role in addressing the climate crisis.
- Create tangible **economic opportunities for women in green industries** by providing access to jobs, combatting discrimination, and supporting technical and leadership training.
- Support the **empowerment of organizations** of marginalized and underrepresented populations of women through financial and technical resources to better enable them to **lead as sources of inclusive solutions** to climate change.

Marginalized and underrepresented populations

may include, but are not limited to, women and girls, ethnic and racial groups, persons with disabilities, LGBTQI+ people, displaced persons, migrants, Indigenous Peoples and communities, children, youth, older persons, religious minorities and faith-based groups, people in lower castes, and people of diverse economic class and political opinions. These groups often suffer from discrimination in the application of laws and policy and/or access to resources, services, and social protection, harassment, and/or violence. Through application of the principle on equity and inclusion, USAID will demonstrate our commitment to paying special attention to how we engage, support, and empower marginalized and underrepresented groups.

Young people, separately and as they intersect with marginalized and underrepresented populations, have emerged in recent years as key actors in mobilizing large-scale awareness, running educational programs, promoting sustainable lifestyles, conserving nature, supporting renewable energy, adopting environmentally friendly practices and implementing adaptation and mitigation projects. The 2.4 billion young people under age 30 are more likely to adopt new technologies and practices than older adults, have increasingly strong social and environmental awareness, and are engaged as leaders in movements to transform our societies toward a net-zero and climate-resilient future. USAID will apply principles outlined under the [Agency’s Youth in Development Policy](#), and other relevant policies, of effective engagement of youth in decision-making.

Actions under this IR will include, but are not limited to:

- Support behavior change and communications campaigns that help **increase acceptance of young people’s participation, activism, and leadership on climate action and education**, identify and hold up youth, in all their diversity and recognizing those who are marginalized or underrepresented (indigenous, LGBTQI+, youth with disabilities, and others), as agents of positive change and work with other stakeholders and champions to support and encourage youth’s active participation.

- Increase our **financial and technical resources for youth-led organizations and networks** to enable a leadership role in addressing the climate crisis.
- Create tangible **economic opportunities for youth in green industries** by providing access to jobs, combatting discrimination, and supporting technical and leadership training.
- Support the **empowerment of organizations of marginalized and underrepresented populations of youth** through financial and technical resources to better enable them to lead as sources of inclusive solutions to climate change.

Strategic Objective 2: Drive Systems Change: Catalyze transformative shifts to net-zero and climate-resilient pathways

Fully addressing the climate crisis will require a combination of targeted action (i.e., Strategic Objective 1) accompanied by efforts to drive transformational and systemic change. Energy, transport, water, sanitation, agriculture and food, health, urban, and landscape conservation and management systems are among those that need to decrease emissions in order to achieve lasting and feasible net-zero and climate-resilient pathways. Governance, economic, and financial systems need to better value natural systems and incentivize and prioritize resilient, low-emission investments. Education systems need to produce a generation of climate-aware citizens ready to innovate, take action, and engage with their governments to demand a more sustainable future. Governments need to demonstrate commitment and capacity to implement systems that are transparent, legal, and mitigate corruption to enable full participation and investments that are sustainable and benefit local communities.

Therefore, USAID will influence and support partner countries, communities, and international organizations to transform systems in a way that strengthens and achieves their locally-determined goals and that helps lock in a trajectory toward an equitable, climate-resilient world with emissions-reduction based on net-zero pathways. This systems change will require influencing and modifying the factors, motivations, sectors, actors, and/or interactions operating in an interconnected network.

Intermediate Result 2.1: Advance transformation of key systems and essential services to reduce emissions and enhance climate resilience: Transforming key systems, services, and associated sectors will be necessary to place the planet on a net-zero, climate-resilient trajectory. Under this IR, USAID will address major underlying constraints to systems change such as corruption, ineffective or non-existent land tenure, and poor infrastructure, among others. While transforming systems will take time, these changes will lay the foundation for future economies and social systems that are less extractive and emission-dependent, and more equitable and resilient.

Actions under this IR will include, but are not limited to:

- Listen to, learn from, and partner with all the relevant stakeholders, including marginalized and underrepresented populations, to develop long-term, methodical **roadmaps to transformative change** that align with local priorities.
- Support implementation of **net-zero, resilient national policies and standards** based on proven practices.
- Promote and catalyze **climate actions that span political borders and complementary sectors**, through support to global, regional, and national organizations that offer common standards for governance, prioritization, financing, and monitoring of climate actions.

- Develop analyses to better **understand the local contexts, systems, and priorities** needed to achieve major shifts in key systems, including uncovering the barriers and motivations among individual actors to adopting and sustaining behaviors that are critical to systems change.
- Support **policy development and implementation**, capacity development, and innovation that span sectors, including those that reach across national borders.
- Foster, incentivize, and nurture the **behavior changes** necessary to guide and sustain systems change.
- Work to catalyze major **shifts in national and regional energy institutions and markets**, transportation systems, and food systems, among others.
- Support partner governments in **reforming national agricultural subsidy programs** to shift market incentives towards climate-smart agriculture practices.
- Support partner governments, traditional and Indigenous leaders and local communities to **strengthen land and resource rights** to lower emissions and support efforts to build climate resilience.
- Promote **responsible and reliable supply chains for minerals** needed for green energy technologies, including support for relevant transparency and anti-corruption measures.
- Support application of **open government approaches and anti-money laundering tools**, among others, to address the ways in which political finance and financial secrecy contribute to the overexploitation of natural resources and the neglect of greener energy sources.
- Support improved **access to resilient and lower emission essential services**, such as health and water and sanitation, which can help ensure households and communities are able to adapt effectively to climate shocks and stresses.
- **Strengthen national agencies, ministries and institutions** to provide and use climate services to improve climate informed decision-making in sectors and systems from education and health to agriculture and energy.
- **Support higher education institutions and local academics** to advance research, innovations, and the development of an educated workforce needed to drive and maintain systems change.

Behavior change

Behavior change is a critical component of successful climate change initiatives. Achieving the dual goals of mitigation and adaptation will require the adoption of new behaviors by a range of actors, including policy makers, the private sector, community leaders, household members, and USAID staff. Behavior change programs target increasing awareness of climate change risks and impacts and should be coupled with providing information and support for potential solutions. Programs must work to shift social and gender norms to provide greater voice for marginalized and underrepresented populations, and address the structural barriers impeding access to products, services, and financing as part of larger climate change initiatives. To address the complexity of the climate change challenge, USAID will draw on more than 30 years of experience implementing behavior change programs and is committed to applying these lessons to human-centered solutions across all sectors.

Intermediate Result 2.2: Support a transition to climate-resilient, net-zero economies and financial systems: Unsustainable, high-emission economic development is an underlying driver of climate change. Therefore climate risks and emission reduction goals need to be incorporated into all economic and financial decisions. Under this IR, USAID will help our partner countries transition toward resilient, net-zero economies that create sustainable livelihoods and decent jobs, and are transparent, inclusive, and equitable in their design and operation. The following actions, among others, aim to generate results that increase employment and prosperity for all people by helping countries achieve the equitable net-zero, resilient economies they seek.

Actions under this IR will include, but are not limited to:

- Conduct analyses that **evaluate the local political realities** and identify appropriate entry points from which to initiate change.
- Partner with governments, financial institutions, and major corporations to ensure that the **full costs of climate risks and emissions are understood and priced** in financial transactions and internalized through market regulations.
- **Pursue financial reforms** in collaboration with the development finance institution community (including the U.S. International Development Finance Corporation), development banks (such as the World Bank), and private sector actors.
- Seek to **address underlying causes and distortionary effects** that encourage high emissions growth by creating the enabling environment, capacity, and incentives that promote investments in a just transition to renewable energy, place appropriate economic value on natural systems, and support a transition to climate-resilient infrastructure and livelihoods.
- Support replication and scaling of models that **shift financial and economic incentives** toward effective climate action and away from emissions-heavy actions and usage.
- Work with sub-national and national governments as well as the private sector to adopt incentives to **increase efficiency, limit pollution, and reward environmental stewardship** across the economy.
- Help identify net-zero, climate-resilient economic growth and **investment policies and institutional structures** that do not exacerbate or cause social inequities.
- Partner with governments, industry, and civil society to address **development, environmental, and other risks associated with increased mining** for green energy minerals.
- Harness the momentum of the growing number of net-zero pledges from governments and businesses⁷ to **capture additional financial resources and political will** for action.
- Pursue the **creation of decent jobs** through a transition to resilient green economies.
- Support placing a price on carbon through **carbon taxes and carbon markets** and other mechanisms that drive lower-cost mitigation action with market incentives.
- Explore trade regimes that **factor in the carbon emissions** required to produce imported and exported goods in order to protect workers and industries in countries that tax carbon.
- Help **prepare people for green careers**, while strengthening social systems to support transitions to improved livelihoods.

Intermediate Result 2.3: Strengthen responsive, transparent governance and citizen engagement for effective climate action: Strengthening citizen engagement and inclusive governance is essential to identifying and negotiating socially inclusive and equitable pathways to achieve a resilient, net-zero future. Under this IR, USAID will proactively support civil society efforts and strengthen governance systems at the local, regional, and national levels to implement partner climate goals. By supporting processes that foster citizen engagement and inclusive governance, USAID will help uncover the wider spectrum of knowledge, positions, perspectives, and interests that should be considered to make lasting and stable changes that foster resilience and lower emissions.

⁷ See: <https://unfccc.int/news/commitments-to-net-zero-double-in-less-than-a-year>

Actions under this IR will include, but are not limited to:

- Support citizens and governance institutions to **promote participatory climate planning processes** and craft the policy reforms needed for sustainable, equitable, inclusive, and accountable climate action.
- **Support civil society**, media, coalition building, policy reform, targeted legal support, and securing land and resource rights for effective climate outcomes.
- Support the **critical societal and collective action movements** necessary to achieve and sustain ambitious climate results, including strengthening youth and social climate movements, and increasing participation in and **transparency and accountability** of government and private sector climate efforts.
- Prioritize and **elevate the voices of communities historically excluded, including marginalized and underrepresented populations**, that are disproportionately affected by climate change.
- Support partner countries to **find inclusive, gender-responsive, and democratic development pathways** to implement climate actions by promoting broad-based, locally-led efforts.
- Strengthen **formal and customary governance systems** at the local, regional, and national levels.
- Work to improve technical capacity in areas such as **emissions accounting, public expenditure for climate action, institutional enabling and regulatory environments** including parliamentary and judicial support, anti-corruption efforts, and accountability for climate actions. Work with national governments to **strengthen and implement their national climate plans and policies**, and ensure such plans are woven into subnational planning and implementation.

Leveraging opportunities for building and sustaining peace through climate action

Armed conflict or other forms of violence afflict more than half of the countries where USAID operates. Climate change will only heighten conflict risk and existing fragility --- including by exacerbating food, water, and livelihood insecurity, increasing competition over scarce resources, and eroding confidence in governments, among other threats---while violent extremist organizations can exploit climate shocks for strategic ends, including recruitment. At the same time, climate impacts can be leveraged to advance peacebuilding outcomes.

Intermediate Result 2.4: Strengthen the coordination of humanitarian, development, and peacebuilding assistance to address climate impacts: Currently, different sets of actors and institutions are separately addressing various aspects and phases of complex crises, including those exacerbated by climate change. Siloed approaches to delivering humanitarian, development, and peacebuilding solutions are not effective or cost efficient and decrease the level of assistance USAID and partners can provide. Under this IR, USAID will strengthen the coherence of policy and programming across humanitarian, development, and peacebuilding actions to address humanitarian needs, including those of displaced populations, reduce future climate risks, and tackle the systemic causes of climate vulnerability that are rooted in inequity. Together these actions, among others, will help reduce the unintended consequences of siloed approaches, and ensure that the support provided by USAID and our partners becomes more anticipatory, cost-effective, and impactful.

Actions under this IR will include, but are not limited to:

- Strengthen **coherence across our own strategies, programs, and activities** through increased and substantial **cross-sector and cross-bureau** co-creation and joint implementation.
- Implement programs, policies, and plans that **promote coherence among national and local governments and civil society** responsible for humanitarian, development, and peacebuilding actions in order to leverage the comparative advantage of each type of assistance.

- Convene multilateral partners as well as the interagency to advance the **dialogue across all humanitarian, development and peacebuilding actors** to achieve collective climate outcomes at global levels.
- Continue to **build the knowledge base** associated with humanitarian, development and peace actions through collaboration, research, dialogue, joint risk assessments, and demonstration programs.

Special Objective: Doing Our Part: Strengthen operations and approaches to programming to address climate change and further climate justice within USAID and our partner organizations

Addressing the climate crisis will only be possible if everyone contributes. Therefore, USAID is committed to doing our part to confront the climate crisis by transforming the Agency’s operations and supporting our implementing partners to undertake similar efforts. These reforms build on U.S. Government commitments outlined in several Executive Orders⁸ and USAID objectives detailed in the Agency’s [Climate Readiness Plan](#)⁹ and Sustainability Plan. Collectively, these reforms will help ensure USAID and our implementing partners are better equipped to confront the climate crisis.

Actions under this SO will include, but are not limited to:

- **Reduce USAID’s operational emissions** worldwide as specified in the Sustainability Plan, including through increasing the energy efficiency of our infrastructure, vehicle fleet, information technology, and staff travel.
- **Integrate climate resilience and mitigation** more robustly in our program cycle through an update and expansion of the Climate Risk Management (CRM)¹⁰ process per existing Agency operational policy ([ADS 201](#)).
- Strengthen the **diversity, equity, inclusion, and accessibility of the climate workforce**, including by championing and implementing the [USAID Diversity, Equity and Inclusion Strategic Plan](#)¹¹.
- Update and strengthen our **social safeguard policies**.

⁸ USAID Responses to EO 13990, Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis; EO 14008, Tackling the Climate Crisis at Home and Abroad; EO 14013, Planning for the Impact of Climate Change on Migration. <https://www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad>

⁹ <https://www.usaid.gov/climate-change/2021-climate-readiness-plan>

¹⁰ Missions must carry out climate risk screening during the development of Regional or Country Development Cooperation Strategies (see [ADS 201mat](#)) and Operating Units must assess climate-related risks for all USAID investments and incorporate CRM measures into the design and implementation of activities, if applicable (see [ADS 201mat](#)).

¹¹ <https://pages.usaid.gov/OCRD/2021-diversity-equity-and-inclusion-strategic-plan>

IV. ROADMAP TO IMPLEMENTATION

Guidance for Implementation

Once finalized, USAID will move swiftly toward implementation of this Strategy. The Agency has already developed interim policy and programmatic guidance, and many sectors and Missions are already exploring new opportunities to integrate climate change into their portfolios. To further support implementation, the Agency is developing more comprehensive implementation guidance, which will, among other things, expand upon the following topics:

- **Budgeting and Prioritization**

USAID is developing a process to effectively allocate funds toward the Strategy's goals within the context of USAID's wider development and humanitarian assistance portfolio as well as the intent and limitations of our direct climate and other Congressionally earmarked funds. This prioritization will be informed by high-quality quantitative and qualitative data, and identify priority countries, geographies, systems, and actions while maintaining a whole-of-Agency approach. Missions and other Operating Units will be supported to explore innovative, combined, and flexible funding and implementing mechanisms to enable locally-led development and enhance impact, co-benefits, and adaptability.

Initial considerations for budget allocations will take into account current Congressional directives and funding streams, potential adaptation and mitigation benefits, and the necessary balance of actions across and between our Strategic Objectives. Initially, allocation of our Congressionally earmarked direct climate funds (i.e., Adaptation, Clean Energy, and Sustainable Landscapes) will be guided by criteria that include, but are not limited to:

1. **Adaptation Prioritization Criteria:** climate vulnerability (need); a country's ability to leverage investments and convert them to adaptation actions (preparedness).
2. **Clean Energy Prioritization Criteria:** emissions reduction potential, considering likelihood of success, capability and commitment of partners; need to address energy poverty.
3. **Sustainable Landscapes/Natural Climate Solutions Prioritization Criteria:** emissions from deforestation, agriculture, and other land use; biophysical potential of land to sequester carbon, capability and commitment of partners to reducing emissions from land use.

Allocation of funds will also consider opportunities to leverage and complement multiple funding streams to achieve synergistic development, humanitarian and climate objectives, maximizing impact through the whole-of-agency approach envisioned in this Strategy. The overall budgeting process will ensure coordinated and strategic use of funds, while allowing for and encouraging flexibility and innovation at the Mission level.

Budgeting and prioritization may change or expand under different funding directives and levels, and over time as USAID develops additional experience effecting systems level change.

- **Monitoring, Evaluation, Research & Learning**

USAID will develop a plan to monitor the effectiveness of our efforts and promote accountability to U.S. taxpayers and USAID partner countries. This plan will include indicators to track climate benefits across all sectors and capture aspects of equity, inclusion, and locally-led approaches. This plan will also include a process by which the information and learning collected, along with funding trends and new programmatic evidence, will be used to revisit our high-level targets periodically and to develop new metrics to measure outcomes.

- **Adaptive Management**

USAID will develop a process through which Strategy implementation will be adaptively managed with regular portfolio reviews assessing the appropriateness of priority actions, countries, agendas, and metrics. Data and information collected, combined with findings from evaluations of activities, will be used to inform any adjustments that are necessary in prioritization criteria, as well as the overall strategic approach. This process will also include the ability to adapt our strategic focus when unexpected shocks (e.g., COVID, disasters) occur. USAID currently envisions revisiting this Strategy every three years at a minimum, to ensure it remains relevant and to adjust accordingly if needed.

- **Knowledge Management and Communication**

USAID will develop knowledge management and communication guidance to ensure lessons are broadly learned and applied across relevant programming. Throughout implementation of the Strategy, USAID will communicate regularly within the Agency as well as with external partners in order to advance the strategy, and leverage synergistic efforts for maximum impact.

- **Staffing and Capacity Development**

To achieve the objectives of this Strategy, USAID needs sufficient technical expertise and knowledgeable staff. Therefore, USAID will seek to augment climate-specific staffing across the Agency, while increasing the capacity of all Agency personnel to participate actively in meeting this Strategy's objectives. To do this, USAID will not only focus on staff recruitment, but also provide a variety of training options for all staff.

Coordination of the USAID Climate Efforts

To organize and galvanize a whole-of-agency response, USAID will empower all staff and Missions to lead on our climate efforts. Sustained and impactful on-the-ground results that benefit all our partners, which are primarily achieved by our Missions, are the ultimate aim of this Strategy. To ensure coordination across the Agency, USAID has established the following initial coordinating structures to support our Missions and our climate work:

- The **Agency Climate Change Coordinator** is a senior USAID official who is responsible for guiding climate policy and action, ensuring a whole-of-Agency response to the crisis and interfacing with the Special Presidential Envoy for Climate and the U.S. interagency climate team.
- The **Climate Change Leadership Council**, chaired by the Agency Climate Change Coordinator and composed of the senior leaders of all Washington-based Bureaus and Independent Offices, enables high-level, intra-agency cross-bureau coordination, guidance, and strategic leadership for adaptation, mitigation and the broader work of mainstreaming climate programming and the resources allocated to advance them.
- The **Technical Working Group** is a core forum for the development of technical guidance and coordination across the Agency. This group comprises technical experts representing each Bureau and Independent Office and the Operating Units that lead on adaptation, natural climate solutions,

renewable energy, climate finance, inclusion, integration and policy. The Technical Working Group co-chairs liaise with the Leadership Council to provide details on technical policy guidance and programmatic oversight over the course of the strategy.

- **Climate Integration Leads** should be identified within every Operating Unit across the Agency, and work to ensure climate considerations are woven into all that USAID does.

ANNEX I: ASSUMPTIONS ON WHICH OUR TARGETS ARE BASED

General Assumptions for All Targets:

- **Funding:** Assumes direct funding for climate sectors (adaptation, clean energy, and sustainable landscapes) as well as funding from other sectors for appropriate climate sub-objectives that will contribute to the climate targets.
- **Increased Reporting Focus:** Assumes increased and improved performance reporting against climate change indicators by operating units (OUs), increased investment in outreach and training on climate indicator reporting for OUs and Implementing Partners, reporting that captures all significant direct and indirect results supported by USAID activities in partner countries, and the development of new data collection tools and systems.
- **Increased Program Effectiveness:** Increases in effectiveness of USAID activities may come from: changes in criteria guiding budget allocations, changes to technical guidance to the field on how to program climate funds, including the incorporation of learning from past programs into programmatic guidance and best practice, a greater focus on climate objectives from USAID's non-climate programs, and institutional capacity, technological or policy improvements to the enabling environment in partner countries that speeds progress against shared climate objectives.
- **Periodic Review:** USAID will review progress toward target achievement annually, and update targets as necessary in year 3 and in year 6 of the strategy's implementation. In addition, we will assess our progress against our Targets on an annual basis.

Additional Assumptions by Target - (targets are in italics)

- I. ***USAID partner countries will reduce, avoid, or sequester six billion tCO₂e through activities supported by USAID by 2030.***
 - a. Assumes land-based mitigation impacts will be achieved through
 - i. An increasing emphasis on advancing systemic change in the land sector;
 - ii. Strengthening climate mitigation in non-climate program areas related to land use including agriculture, water security, biodiversity conservation, governance, economic growth, and coastal and marine programs; Increased diplomatic attention, global efforts, and US Government coordination on natural climate solutions as exemplified by the US Government's interagency plan to conserve critical global carbon sinks (including in the Amazon, Congo, and Southeast Asian forests); and Increased impact from new bilateral programs in high mitigation potential countries (e.g., Madagascar, Papua New Guinea, Ecuador), as well as new private sector partnerships to reduce emissions from commodity supply chains, and increased private sector financing of natural climate solutions in key landscapes;

- b. Assumes energy sector mitigation impacts will result from:
 - i. Declining costs of renewable energy (RE) technology, increased acceptance/familiarity with RE technology, increased financing for RE technology and declining financing and subsidies for fossil fuel projects;
 - ii. Increased targeting of USAID programs on high potential geographic locations;
 - iii. Increased diplomatic attention and global efforts to address climate change;
 - iv. New options to strengthen programming such as investment in distributed energy generation, efforts to accelerate retirement of coal power plants, and investments in flexible grids; and
 - v. To a lesser extent (given current funding levels) improvements in energy efficiency activities, battery storage deployment, electric vehicles, and demand response.
2. **USAID will mobilize \$150 billion in public and private finance for climate by 2030**
- a. Assumes an increased focus on climate finance for all sectors.
 - b. Assumes USAID programs improve enabling environments and include a greater focus on climate and finance outcomes by all sectors.
3. **USAID will support the protection, restoration, or management of 100 million hectares with a climate mitigation benefit by 2030**
- a. Assumes unique hectares.
 - b. Assumes increased reporting on USAID’s standard hectares indicator for climate, introduced in FY2021 (see [USAID GCC Indicator Handbook](#) and [Hectares Indicator Supplemental Guidance](#)), and expanded use by other sectors (e.g., biodiversity, agriculture) as well as reporting of hectares protected, restored or better managed as a result of policies improved.
 - c. Assumes increased capacity for Monitoring, Evaluation and Learning (MEL) training, resources, and outreach to the field and implementing partners regarding use, management and reporting on geospatial data.
4. **USAID will enable the improved climate resilience of 500 million people by 2030**
- a. Assumes increases in mainstreaming of climate Adaptation activities across the Agency.
 - b. Assumes development and use of new MEL data collection approaches, including expansion of Climate Information Services that are essential pillars of adaptation and are scalable across countries and regions.
 - c. Assumes contributions from programs, including the impacts of policy changes from USAID programming. Impacts will be measured by a combination of traditional reporting and modeling techniques.

5. ***USAID will support structural changes that improve participation and leadership for Indigenous Peoples, local communities, women and youth in climate action in at least 40 partner countries by 2030***
 - a. Assumes that missions demonstrate meaningful contributions to partner countries' significant improvement in one or more focal areas.
 - b. Assumes focused and/or indirect climate funding and cross-sectoral involvement of programmatic staff to achieve desired outcomes.
6. ***In at least 80 partner countries, USAID will align its country programming by 2024 with Nationally Determined Contributions and National Adaptation Plans and priorities, and, with USAID support, at least half of these countries will demonstrate significant and sustained progress toward achieving country commitments by 2030***
 - a. Assumes that missions provide significant support and countries demonstrate significant improvement in one or more focal areas with our support.
 - b. Assumes focused and/or indirect climate funding and cross-sectoral involvement of programmatic staff to achieve desired outcomes.

ANNEX II: EVOLVING POLICY CONSIDERATIONS

USAID's current approaches to addressing several issues, in line with emerging USG policy:

Carbon Border Adjustment Mechanisms

A carbon border adjustment mechanism puts a carbon price on imports of a targeted selection of products--based on the carbon intensity of production in a given country--to ensure that ambitious climate action does not lead to 'carbon leakage' (i.e., creating incentives to relocate production to countries that do not levy a domestic carbon tax on producers). USAID is in consultation with the interagency on the potential effects of a carbon border adjustment mechanism on developing countries.

Climate Change-Related Migration

Climate-related migration, both within and across national borders, is occurring already and is projected to increase substantially over time as the impacts of the climate crisis unfold. In some cases, migration can be seen as an adaptation strategy, but in others cases it amounts to forced displacement in the face of life threatening risks. USAID recognizes that conceptualizing climate-related migration requires substantial nuance and consideration of how climate interacts with other migration drivers, including political, social, and economic factors. USAID helps displaced populations and migrants and supports them when possible through humanitarian and development assistance. Moving forward, USAID will increase its focus on support for those already facing climate impacts, including those who choose or are forced to migrate in response to climate change and all the complex impacts it has on individuals and societies. Further, USAID will increase its research and analytics to better understand links among climate change, mobility and other migration drivers and enable programming responses for various contexts. Assistance is not tracked against "climate" migration, as it is currently difficult to classify people as "climate migrants" given that they generally migrate for a number of reasons.

Deforestation and Commodity Production

The expansion of commodities and agriculture—including cattle, soy, palm oil pulp, cacao, and coffee—to meet global demand is contributing substantially to increased global emissions from deforestation. A recent study found that 69 percent of this forest conversion is also illegal. While illegal timber is regulated through trade laws such as the U.S. Lacey Act, agricultural commodities are not. In recent years there has been a surge of corporate commitments and voluntary initiatives by the private sector to curb deforestation in their supply chains, but these efforts have been insufficient, forcing consumer countries and investors to put the issue on their trade policy agendas. USAID’s work begins with supporting governments to improve land use planning, transparency, policy incentives, and social safeguards and rights to enable sustainable production, forest conservation and restoration to lay the foundation for the growing market of investors and private sector firms seeking to procure environmentally friendly commodities. By partnering with the private sector, NGOs, and technology service providers, USAID joins in the development of tools and practices to improve supply chain management and meet the specifications of markets, lenders and investors, including verified legality and sustainability.

Emerging Energy Technologies

There is a lot of international attention to carbon capture, utilization, and sequestration (CCS) technologies, green hydrogen, modular nuclear reactors, and advanced batteries because they will be critical to achieving the most difficult aspects of decarbonization. Many of these technologies, however, are far from commercial or economic viability and it is critical not to delay achieving substantial carbon emissions reductions now because of perceived technological fixes in the future. USAID will not invest resources in early stage R&D for technologies like these. Instead, we are focusing on known or proven emissions reductions approaches and techniques with a heavy emphasis on energy sector interventions and nature-based solutions, and supporting partner countries to utilize new technologies as they commercialize.

Fossil Fuels

According to the recent IPCC report, fossil fuel combustion has been responsible for 86 percent of total anthropogenic CO₂ emissions over the past 10 years. To address the climate crisis it is critical to phase out fossil fuel use. Over the next decade, USAID will also support our partner countries to greatly reduce their reliance on fossil fuels and thus reduce their CO₂ equivalent emissions from the energy sector by a total of 156 million metric tons to 1 billion metric tons. The range of potential results reflects different assumptions about increased effectiveness of USAID’s programming, improved reporting on program impact, and increases in funding over the period through FY2030. The vast majority of USAID’s energy-related programs do not work on fossil fuels and must comply with the Renewable Energy earmark. As a matter of policy and practice, USAID does not support new coal projects and we will continue to work with the interagency and international community to reduce coal consumption. Under extremely limited conditions, support for oil and gas-related projects may be considered for non-earmarked funds, such as when there are no viable alternatives to meet priority national security, development, or humanitarian objectives, and when support for gas does not delay the transition to clean energy or otherwise inhibit the achievement of net-zero global emissions by 2050 and the country’s decarbonization pathway and/or goals.

One Health and Global Health Security

Climate change is one of several drivers linked to increasing risk of zoonotic disease threats. Warmer, wetter and more variable conditions brought by climate change are making it easier to transmit many infectious diseases. Deforestation worsens climate change and also increases contact between humans and animals that harbor potential zoonotic diseases, especially filoviruses and coronaviruses. Elevated infectious disease risk has the potential to endanger lives and disrupt economies, travel, trade, and the food supply. USAID partners with the Department of State, Department of Health and Human Services, the Centers for Disease Control and Prevention, and other departments and agencies to implement our Global Health Security program, which includes the Global Health Security Agenda (GHSA). The GHSA is an international initiative launched in 2014 to advance health security priorities multilaterally, bilaterally, and domestically. USAID's Global Health Security Program emphasizes the need for strong multi sectoral engagement across the human, animal and environmental health sectors, and includes agriculture, security, defense, law enforcement, development assistance, foreign affairs, research, and finance sectors, among others, for implementation of a One Health Approach to problem solving.

Responsible Renewables Sourcing

Civil society has raised concerns about environmental degradation and human rights abuses associated with green energy minerals and renewable energy technology supply chains. Credible evidence from civil society watchdogs suggests, for example, that components critical to the manufacture of solar panels are made with forced labor. USAID purchases limited renewable technologies directly. USAID focuses on policy, grid integration, and related enabling conditions to facilitate the rapid transition to renewable energy. However, it is important that USAID and our partners critically examine renewable energy supply chains, including the minerals that are found in these technologies, and work to minimize procurement of clean energy technologies associated with environmental or human rights abuses. USAID supports immediate actions by the USG, partner countries, and companies to confirm that renewable technology supply chains are environmentally responsible and respect human and labor rights. We also encourage the expansion of responsible supply chains for green energy minerals and renewable technologies in the United States and abroad and will take action to be part of this effort.

Digital Technology

Climate programs can improve their reach, impact, and efficiency by leveraging digital technology to crowdsource data, enable real-time analytics, relay critical information, create resilient digitally-enabled communities, and increase access to clean energy. We should also promote climate-neutral technological innovation, as increasingly widespread emerging technologies (such as cryptocurrencies and artificial intelligence) demonstrate potential for adverse climate impact through their outsized energy consumption. The responsible inclusion and consideration of digital technology in climate mitigation and adaptation programming is in alignment with the goals of USAID's [Digital Strategy](#). Building on decades of USAID leadership in digital development, the Strategy outlines USAID's deliberate and holistic commitment to improve development and humanitarian assistance outcomes through the responsible and ethical use of digital technology and by fostering open, inclusive and secure digital ecosystems.