DevelopmentAid Dialogues

Season 3. Episode 9: UNOPS Rewires Aid Accountability: Tracking Scope 3 Emissions in the Development Sector (A Conversation with Samantha Stratton-Short)

Hisham Allam: Hello everyone. Welcome to DevelopmentAid Dialogues. I'm your host, Hisham Allam. Today's conversation focuses on a major breakthrough in climate accountability for the development sector. We will be discussing the launch of a new methodology by UNOPS, the United Nations Office for Project Services. A key UN agent that supports implementing peace, security, humanitarian and development projects around the world, often in challenging environments. Their new approach tackles the Scope 3 greenhouse gas emission, that are indirect emissions from entire supply chains that make up the vast majority of carbon footprints in development projects globally.

To help us understand this important step, we are honored to be joined by Samantha Stratton-Short short, the Head of Strategic Initiatives for UNOPS Infrastructure and Project Management and leader of the organization's climate Action program. Samantha brings over 20 years of experience working on climate resilience and sustainable development with governments, international organizations, and NGOs across the globe.

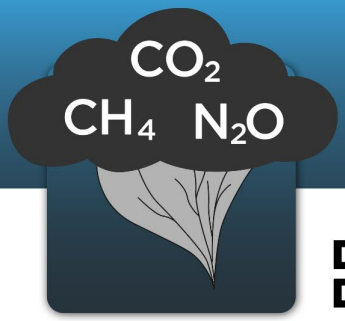
Samantha, thank you for joining us today.

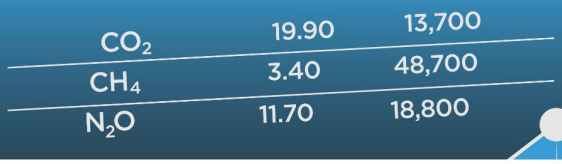
Samantha Stratton-Short: Thank you, Hisham.

Hisham Allam: Samantha first to set the stage for our listeners. Can you tell us why it is important for UNOPS to look at emissions from all parts of its work, not just what it does directly, but also from suppliers and partners?

Samantha Stratton-Short: Yes. Thank you again for having us on your podcast. Scope 3 emissions are the indirect emissions generated across our value chain, primarily through the goods and services we procure and the projects we deliver.

And it's a large part of what we do. So, reducing our direct operational emissions is a core responsibility for UNOPS, but we must go beyond that and measure the emissions of our suppliers, our partners, and our implementation activities as well. So, this allows us to understand the full climate impact of our work, and it gives us the ability to influence others, our partners. Even markets to adapt and adopt new low carbon solutions. So, a big part of leading the way in climate action is making sure we use our influence effectively





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to cut down on what our Scope 3 emissions for us. So, this effort is absolutely a joint commitment. We must and do work closely with other agencies across the UN family as well as our suppliers and our partners.

And what makes this approach a real winner for us is that the methodology provides a shared platform, which showcases that by cooperating and utilizing each of our specific advantages or mandates, we can achieve far greater impact than we could alone. UNOPS, is one of the UN system's largest implementing bodies for infrastructure and procurement.

And this unique role gives us powerful leverage. So, by embedding climate criteria into our procurement process and infrastructure designs, we can lower our emissions and make our offices and our projects more resilient. So when we add Scope 3 assessment to the equation, we can also transform supply chains, shift markets, and drive down emissions, not just for ourselves, but across billions of dollars in global development projects.

So, in short, a great amount of our impact lies in our Scope 3. So by including this area in our climate action strategy, UNOPS is demonstrating that we're not just measuring our own operational footprint, but actively using our institutional expertise to convert global climate action into local resilient and low carbon results throughout the entire development pipeline.

Hisham Allam: For those who are new to the topic, could you briefly explain what Scope 3 emissions are?

Samantha Stratton-Short: The Greenhouse Gas Protocol splits a company or an organization's total greenhouse gas emissions into three scopes. So, Scope 1 or direct emissions are the emissions the organization makes itself, it's not a great example, but like burning fuel in their own cars or offices.

Scope 2, sometimes referred to as the easy indirect emissions are the emissions from the energy the organization buys, like electricity. And then Scope 3 or the indirect emissions are everything else. And this is typically over 90% of the total coming from suppliers, travel partners.

The organization doesn't control it, and that makes it really hard to measure. And we have to rely on external data, other organization's data. And it's also really hard to fix. It's a huge tracking headache, and it's often criticized as being vulnerable to double counting.

Hisham Allam: It's clear now. This was a huge challenge to develop a brand-new methodology. Can you walk us through the biggest obstacles your team faced and how does this methodology help make better data driven decisions to focus mitigations efforts were the count most.

Samantha Stratton-Short: Sure. It was a huge and complex undertaking to develop a methodology to assess these Scope 3 emissions. The biggest obstacles came down to how unique UN entities are and the way we do business or operations. And the fact we couldn't just copy paste private sector solutions. For example, the existing global guidance, like the Greenhouse Gas Protocol that I mentioned before, was primarily

designed for production companies focused on upstream emissions. So, what goes into making a product and UNOPS modes of delivery are non-commercial and unique to the UN, NGOs and other international organizations dedicated to the development sector. And we don't manufacture goods. We facilitate development and deliver projects, so we lack specific guidance for our kind of implementation activities. So, creating a materiality framework, robust enough to be scientifically sound, yet flexible enough for the UN's complexity was a great challenge.

We operate in over 150 countries with highly diverse project types. And we needed a step-by-step process that was compliant with the GHG protocol, but also incorporated UN values like inclusivity and stakeholder engagement. While creating this clear methodology was hard. Actually the even greater difficulty was in implementation.

So, the data we needed to accurately assess and even measure Scope 3, which often lies with third parties and local contractors is really hard to get ahold of. So, it's an iterative process and we just continuously improve the data collection and try to meet the standards we've set.

Ultimately, the best way forward is to create our own methodology that addresses these gaps. And importantly, it's designed to be applicable to other organizations across the development sector. This methodology systematically identifies the highest emitting areas in our value chain with a specific focus on the delivery of development projects.

So, this tells us exactly where the major climate impact is. For example, specific materials used in infrastructure projects or the emissions created over the useful life of the goods we distribute to beneficiaries. So, it provides a clear, repeatable process to factor in additional considerations important to us as a UN entity.

We can now assess things like the sustainability, co-benefits of a climate decision, the long-term interests of our stakeholders, and our opportunity to influence market change. So, the system lets us immediately focus on the decisions that make the biggest difference, putting our mitigation efforts where the assessment shows there'll be most effective.

So instead of guessing, we can make sure that our policies for purchasing choice strengthens our services and gives our partners more resilient, low-carbon outcomes.

Hisham Allam: That sounds like a sophisticated process. How long did it take to develop this methodology?

Samantha Stratton-Short: It's probably taken us about three years to do it. First of all, it was just trying to understand, where we even should start, what was available in the market, to see if we could borrow other people's methodologies. Just really making sure we don't, reinvent the wheel, so to speak.

And then we also engaged a consultancy to help us. And that's where we found that we had to adapt from a private sector perspective. The consultancy was very familiar with, what other private sector organizations

were doing. We were missing some key elements like stakeholder engagement and inclusivity, which are fundamental to our UN core values.

Hisham Allam: Measuring and acting on a Scope 3emissions must have influenced overall sustainability. How does this methodology help ensure development projects to become more environmentally sound and resilient?

Samantha Stratton-Short: That's a great question, Hisham, because of course there's so many overlaps in any case between climate and sustainability and working with climate and environment is critical.

For UNOPS, we deliver more than a thousand projects every year. So this guides us to make difficult judgment calls on how to prioritize climate action in even the most challenging context, and that's what helps make our projects resilient. Scope 3 is the climate footprint of our entire value chain, and that's very complex. But we're able to connect climate and sustainability in three main ways. So first of all it guides us in achieving a more granular understanding of our emissions and in making sense of the complexity of our projects and activities worldwide. Our Scope 3 emissions are everywhere, so we're talking about everything from landmine clearing equipment to the vaccines we buy.

That means we have to tailor our sustainability plans to match the specific needs of each activity. So second, our methodology appreciates that assessing qualitative materiality considerations matters. And so, this is very important, especially for smaller categories that might seem minor. Why?

Because they could actually be really important to our stakeholders or to our partners and they also might be areas where we could make a quick, big difference. And third, the tool makes climate action part of the standard way we approach development instead of treating it as an extra thing to do. Considering these factors it's important to assess the sustainability co-benefits that climate action can bring.

So, if I give you an example of, let's say we're looking at our portfolio of hospital projects. We know from this assessment that purchase goods and services, let's say specifically construction materials account for 40% of our emissions. And within that we can also see that concrete and steel are the dominant culprits far exceeding other categories like staff travel or waste.

The result is that, just by that assessment alone, we now know that, we can choose to focus on concrete, for example. Then we look at these qualitative criteria such as influence ability or sustainability co-benefits or partnership for innovation and risk mitigation. And these help us evaluate our potential to make a change around our high impact areas.

Of which concrete is still comes out on top for our ability to influence sustainability co-benefits, and particularly risk mitigation. So based on these analysis we know that low carbon construction materials score really well. And that means that we should focus on how we can influence this based on the extra benefits it brings. The difference for us is that instead of guessing or tackling low impact areas like office paper usage or something like that, the results tell us to prioritize, updating global procurement guidelines immediately to encourage the use of low carbon, concrete and steal and infrastructure projects like above a certain

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budget threshold. And furthermore, the methodology stops us from only chasing the biggest emission numbers. And ensures that we don't overlook areas where we might have important influence, even if it looks small. To give you an example of that we might look at, like office waste and improving sorting and recycling delivers huge co-benefits, it cleans up local ecosystems and protects human health in the fragile areas where we work. And the system directs us to immediately implement like zero waste strategies in our field offices. It's like low hanging fruit. So, it shows us that climate action is just about massive infrastructure projects and the changes we can make through that, but it's also just about high impact local changes that align with our mission and deliver tangible health benefits to the people we serve.

Hisham Allam: Samantha, on a related note, transparency and accountability keep coming in climate discussions. How does adopting this approach improve trust and credibility with donors, partners, and communities?

Samantha Stratton-Short: Yeah, thanks for that question. The approach is inherently transparent, right? We're publishing the methodology.

We will also publish the results annually. We believe that will help to build trust. But also, for like donors and partners, we believe it reinforces credibility and honesty. And we use it as a compass to show exactly why we prioritize a specific action like buying greener computers over others.

So, this data-driven honesty protects their investment and proves we are serious about resilience. But also, for communities our approach, actually takes in stakeholder inputs. So, we focus on actions that give real local benefits. For example our sustainable procurement efforts directly cut down on local emissions and use resources more wisely in the communities where we are working.

And that definitely shows we're serious about the long-term stability and success. So, we show where we're making trade-offs and why, and ensuring so that no material emission is hidden, which is the definition of accountability.

Hisham Allam: Thank you for this clear answer. From what you just said, innovation and technology are essential to climate action. What new tools or technology are helping UNOPS pure measure and reduce emissions across its value chains?

Samantha Stratton-Short: That's a really good question. I think we always have to start with you know what I've said, one of the biggest obstacles we have is data.

Data is key. So, any technology that will help us access our own data and external data is key to how we move forward. So, we're interested in the potential of AI, but of course it's got climate and environmental impacts as well. So, we have to be very cognizant of those trade-offs and challenges.

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But another thing is, we're gonna need collaborations and platforms to help shift the market. It's not so much fancy or sophisticated technology, but we need the innovation and technology that enables us to collaborate and to collaborate globally and to be able to, use lower carbon cement, for example. We need to know if it's available in the right places and in the right quality to be able to encourage wider adoption. So, we need to work with others. We don't have access to all of this information ourselves. And we need the help of others to make that change, to ensure that these things are available where they're needed. one of the biggest hurdles for all of this is just getting people to take action. Not necessarily a lack of technology. We focus a lot on adapting and rolling out things that are already out there and that work.

We often see innovation as problem solving in the field, because where we work, the contexts are usually so challenging even for themselves, that just solving those issues that we encounter are innovation. But I think it's also important to recognize that we look to local knowledge for sustainable solutions. We, for example, in a project we have in our office in Somalia, we used jelly walls, a traditional technique. And these walls provide natural ventilation and daylight offering shade while minimizing the need for energy, intensive air conditioning and lighting.

I think that for us the main way forward around technology and innovation is around being able to work together with others. What sort of tools can help us do that? Including learning from our stakeholders on the ground and making sure that we're always using what's already there which also takes technology and innovation.

Hisham Allam: Speaking about problem solving, climate crisis often happen where development aid is needed most in fragile conflict affected places. How does Scope 3 accountability still relevant or even grow more vital in settings like Yemen or Afghanistan or even Somalia, as you have just mentioned, what concrete benefits that this data-driven methodology provide teams on the ground.

Samantha Stratton-Short: This is a very important point. I think that there's sometimes a misunderstanding that climate isn't as important in these places. But it is, and understanding these emissions can be very useful. So, environments like Yemen or Afghanistan where we're working a lack of access to resources like water and power actually fuels part of the conflict.

So, our methodology helps us pinpoint emissions hotspots related to, for example, unsustainable diesel dependency. And by forcing us to prioritize solar powered infrastructure and green procurement, we reduce that vulnerability of essential services to supply shocks and price volatility. And not only that.

We must not just rebuild, but we need to build back better. So, the infrastructure we procure must be designed to withstand climate shocks and stresses and the pressures of resource scarcity. So, this transparency enables us to build more sustainable, resilient assets and services that genuinely reduce long-term conflict risk and safeguard our mandate where we are needed most.

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Hisham Allam: Has UNOPS documented in the real-world success after applying this methodology that you'd like to share?

Samantha Stratton-Short: It's very early days for us. The methodology is new, but it's already validating and amplifying our strategy. It confirms, for instance, the power of green procurement independent studies such as the 2021 report, measuring the environmental impact of Eco labels developed by the university Los Andes and the UN Environment Program show that when we demand certified green technology in our internal purchasing, we achieve an average reduction of approximately 28% in lifecycle greenhouse gas emissions per unit, often at a minimum cost increase.

So, this data is critical. It helps us make sustainability the default way we run our business. On the infrastructure side, this approach allows us to advocate for climate compatible solutions from the outset. So, we're now better equipped to support partners in choosing like nature-based solutions over high carbon alternatives because we'll have the evidence to show the total environmental costs or the total climate costs of their full project lifecycle.

Hisham Allam: I know that you were participating in COP30 in Brazil, right?

Samantha Stratton-Short: Yes.

Hisham Allam: Okay. Have you by any way tried to spread the concept of this methodology and to approach some NGOs to adopt this methodology and demonstrate real crime progress?

Samantha Stratton-Short: So, we are sharing the methodology. We've made it public and we're talking to the other UN agencies who are very interested in doing this.

And I think that some of the things that we are emphasizing are, for example, that it's important just to get started. I think it's often very intimidating. I certainly think that when you think of your climate footprint and that 90% of it is Scope 3 and it's the part that you have the least data, you may want to run away from it because that's quite intimidating, but actually it's important just to get started and to accept it's an iterative process. Our initial assessments have been very light, but at least they start giving us information on where to focus next.

And it's about continuous improvement. And by definition you don't have control over these emissions, but unpacking them enables one to support partners with their direct emissions and also influence them and the markets

Hisham Allam: Away from our discussion. I'd like to ask you about your impression about COP summits. There is a very loud voice recently that it is just a summit for promises, but nothing is achieved on the ground.

Samantha Stratton-Short: It was a very interesting cop. And I think that the progress was achieved. They did move forward in a few areas, but of course there's also some understandable frustration and challenge around not as much progress being made over a roadmap away from fossil fuels.

And I think it's a very challenging process. And one of the things that's being looked at is a reform of the process. Because at the moment, in order to make anything legally binding through the COP process, every member state needs to agree and they need to agree on absolutely everything in a statement.

And that is hugely ambitious. It's probably the most ambitious thing that the world has ever tried to accomplish, but it also comes with inherent challenges that make it harder and harder to see how we're going to move forward. The issue with fossil fuels is that there are still so many countries that are reliant on producing energy through this means for their economy and others that are dependent on using this for their economy. So it's a very difficult situation.

Hisham Allam: Okay. Looking back for our NGO and aid worker listeners, what is one practical step they could take today to begin integrating the Scope 3 accountability.

Samantha Stratton-Short: I think the advice that we would give in terms of a first step is to start. It sounds really simple, but I really think that just picking it up and beginning the journey is really important. Then in terms of, I think the next challenge is, which methodology should we use?

And, take a look at the methodologies that are out there. But also just reflect on the qualitative criteria of any methodology and see if it aligns with the values of your organization, like influence, ability, or sustainability, co-benefits or stakeholder priority. I think these are really key for NGOs and UN entities and those of us in the development sector.

Hisham Allam: Great. Donors and funders are key players in climate action. How can they use the Scope 3 emissions data to pair support impactful projects?

Samantha Stratton-Short: I've talked a little bit about how we use this to support our partners and donors and funders are an essential leverage point. And they can use this data in three crucial ways.

First of all, to prioritize impactful investment. So, if they require their implementing partners like UNOPS sometimes to demonstrate their full climate footprint of proposed projects. This helps direct money away from projects with high emissions and risk and favor. Those that clearly show they have a positive impact on the climate and boost long-term resilience.

And all of this will contribute to their nationally determined contributions. Also rewarding accountability. Funders should incentivize organizations that proactively measure and reduce their supply chain emissions. This would really drive everyone towards better practices but also the standardization of the requirements will be really helpful.

So, by aligning funding requirements with robust methodologies such as the GHG protocol or the Science-Based Targets Initiative or anything else that's, compliant methodologies like ours donors can force sector-wide adoption of sustainable practices. And this way climate action isn't just a small detail in a report, but it becomes a core part of how everyone does business.

Hisham Allam: Thank you so much, Samantha, for sharing your valuable insights and expertise with us today. For our listeners, if you found this conversation helpful, we encourage you to share it with your colleagues and networks. Your support helps us to reach more listeners interested in development and client action.

Don't forget to follow DevelopmentAid Dialogues on your favorite podcast platform to stay updated on future episodes. That's for today's DevelopmentAid Dialogues. Thank you for joining us today. Stay tuned for more conversation; that matters. I'm Hisham Allam, signing off. Goodbye!