

Aid targeting the objective of the United Nations Framework Convention on Climate Change



This note contains statistics on bilateral Official Development Assistance (ODA) extended with the purpose of assisting developing countries in the implementation of the United Nations Framework Convention on Climate Change (UNFCCC).

Background

Developed country Parties that signed in 1992 the three Rio Conventions (climate change, biodiversity loss and desertification) committed themselves to assist developing countries in implementing these Conventions. Since 1998, the OECD Development Assistance Committee (DAC) has monitored aid targeting the objectives of the Rio Conventions through its “Creditor Reporting System” (CRS) and the so-called “Rio markers”.

The Rio Marker on Climate Change

The **Rio marker on climate change** has been established by the DAC Secretariat in close collaboration with the UNFCCC. It addresses the ultimate objective of the convention, which is **climate change mitigation**.

Accordingly, **climate-change-related aid** is defined as activities that contribute “*to the objective of stabilisation of greenhouse gas (GHG) concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system by promoting efforts to reduce or limit GHG emissions or to enhance GHG sequestration*” (Article 2 of the Convention; also see Annex).

Every aid activity reported to the CRS should be screened and marked as either (i) targeting the Conventions as a “**principal objective**” or a “**significant objective**”, or (ii) **not targeting the objective**.

Activities receive a **principal score** (score “2”) where climate change is one of the principal objectives of the activity and fundamental to its design. They may be identified by answering the questions: “Would the activity have been undertaken without this objective?”

Activities receive a **significant score** (score “1”) where climate change adaptation was an important, but not principal objective.

The **score not targeted** (score “0”) means that the activity has been found not to be targeting significantly climate change adaptation.

In 2007, DAC members allocated approximately **USD 3.8 billion for climate-change-related aid** (marked “principal” or “significant” objective).

Nineteen DAC members reported a total of **4504 individual “climate-change-related aid” activities** in the period 2005-07. Table 1 gives an overview of the data received. It shows, for each donor separately, the total value of climate-change-related aid per year and an annual average over the period 2005-07.

Table 1 Climate-change-related aid by DAC members

2005-07, annual commitments, USD million, constant 2007 prices

	2005	2006	2007	Annual average 2005-07		
	USD million	USD million	USD million	USD million	% of total bilateral ODA	Total number of marked activities
Australia	24.1	20.2	72.9	39.1	1.9	64
Austria	15.4	27.1	9.6	17.4	1.3	170
Belgium	16.6	25.7	48.4	30.2	1.8	134
Canada	2.3	45.5	42.5	30.1	0.9	113
Denmark	246.3	102.9	190.6	179.9	11.2	142
Finland	..	..	39.3	13.1	1.8	20
France	231.7	365.9	481.1	359.6	3.6	96
Germany	981.0	1216.5	798.2	998.6	9.8	1004
Greece	1.5	1.1	12.0	4.9	2.1	142
Ireland	..	..	29.5	9.8	1.4	105
Italy	..	15.4	23.6	13.0	0.5	116
Japan	2041.8	1379.7	1331.9	1584.5	11.3	597
Luxembourg	..	..	..	..	..	..
Netherlands	198.7	252.6	165.4	205.6	3.1	363
New Zealand	8.7	14.9	2.8	8.8	2.7	73
Norway	..	..	..	..	..	..
Portugal	2.6	0.9	0.5	1.3	0.5	31
Spain	32.1	35.7	92.6	53.5	1.7	554
Sweden	3.0	24.2	6.9	11.4	0.4	61
Switzerland	..	21.2	32.8	18.0	1.2	108
United Kingdom	0.0	64.9	51.4	38.8	0.4	21
United States	36.3	31.4	55.6	41.1	0.2	132
EC	172.2	535.3	320.3	342.6	2.5	458
Total	4014.2	4181.1	3807.8	4001.0	3.5	4504

Note: The data shown for the United States are partial.

Chart 1 below shows recent trends in targeting the objective of the UNFCCC. It differentiates between principal and climate-change-related aid (latter includes all activities marked as principal or significant objective).

Chart 1 Climate-change-related aid

2002-07, commitments, USD million, constant 2007 prices

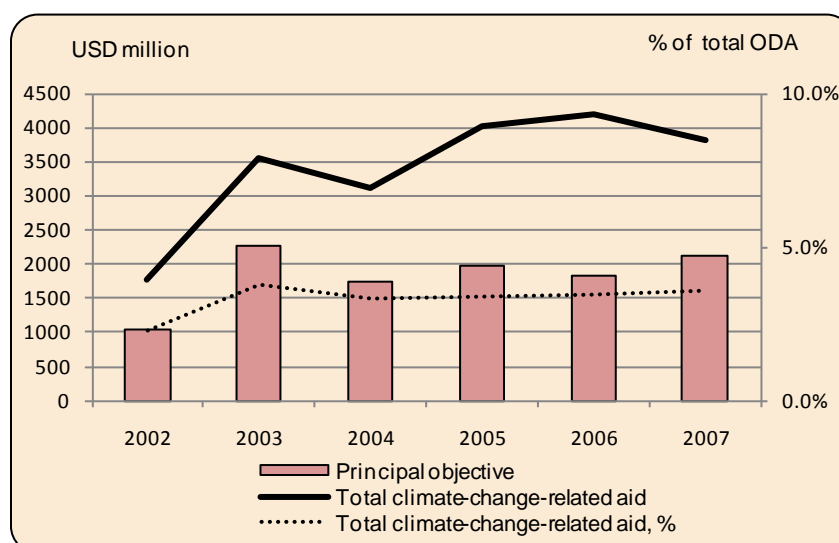
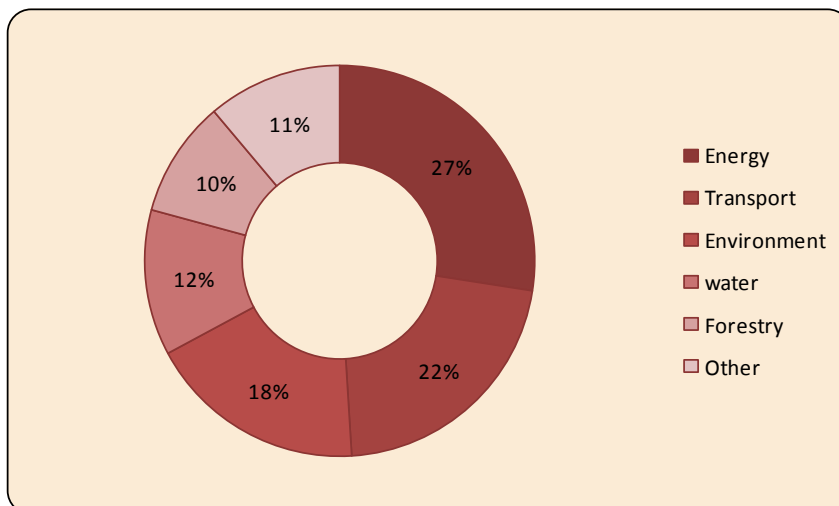


Chart 2 presents the sectoral breakdown of aid activities members reported as targeting the objectives of the UNFCCC. In value terms, close to 90% of climate-change-related aid was reported in the sectors of Energy, Transport and Storage, General Environmental Protection, Water and Forestry.

Chart 3 Climate-change-related aid by sector

2005-07, commitments, USD million, constant 2007 prices



Tracking Aid Targeting Climate Change Adaptation

Climate change adaptation is now widely considered as an equally important and complementary response to climate change than mitigation. At the 14th Conference of the Parties to the UNFCCC in Bali in 2007, adaptation was identified as one of the key factors for strengthened future responses to climate change, and the need for enhanced action on adaptation by Parties to the Convention was emphasised.

A joint Task Team of the DAC Network on Environment and Development Co-operation (ENVIRONET) and the DAC Working Party on Statistics (WP-STAT) has been established to develop a statistical approach for tracking ODA flows in support of climate change adaptation. The urgency of this task was recently highlighted by participants of the OECD DAC High Level Meeting (27-28 May 2009).

DEFINITIONS OF RIO MARKERS – Extract from CRS Directives [Annex 7]

www.oecd.org/dac/stats/crs/directives

AID TARGETING THE OBJECTIVES OF THE FRAMEWORK CONVENTION ON CLIMATE CHANGE MITIGATION	
<p>DEFINITION</p> <p>An activity should be classified as climate-change-related (score Principal or Significant) if:</p> <p>CRITERIA FOR ELIGIBILITY</p> <p>EXAMPLES OF TYPICAL ACTIVITIES</p> <p>1. Typical activities take place in the sectors of: <i>Water and sanitation</i> <i>Transport</i> <i>Energy</i> <i>Agriculture</i> <i>Forestry</i> <i>Industry</i></p> <p>2. Typical non-sector specific activities are: <i>Environmental policy and administrative management</i> <i>Biosphere protection</i> <i>Biodiversity</i> <i>Env. education/training</i> <i>Environmental research</i></p>	<p>It contributes to the objective of stabilisation of greenhouse gas (GHG) concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system by promoting efforts to reduce or limit GHG emissions or to enhance GHG sequestration.</p> <p>The activity contributes to</p> <ol style="list-style-type: none"> the mitigation of climate change by limiting anthropogenic emissions of GHGs, including gases regulated by the Montreal Protocol; or the protection and/or enhancement of GHG sinks and reservoirs; or the integration of climate change concerns with the recipient countries' development objectives through institution building, capacity development, strengthening the regulatory and policy framework, or research; or developing countries' efforts to meet their obligations under the Convention. <p>The activity will score “principal objective” if it directly and explicitly aims to achieve one or more of the above four criteria.</p> <ul style="list-style-type: none"> GHG emission reductions or stabilisation in the energy, transport, industry and agricultural sectors through application of new and renewable forms of energy, measures to improve the energy efficiency of existing generators, machines and equipment, or demand side management. Methane emission reductions through waste management or sewage treatment. Development, transfer and promotion of technologies and know-how as well as building of capacities that control, reduce or prevent anthropogenic emissions of GHGs, in particular in waste management, transport, energy, agriculture and industry. Protection and enhancement of sinks and reservoirs of GHGs through sustainable forest management, afforestation and reforestation, rehabilitation of areas affected by drought and desertification. Protection and enhancement of sinks and reservoirs through sustainable management and conservation of oceans and other marine and coastal ecosystems, wetlands, wilderness areas and other ecosystems. Preparation of national inventories of greenhouse gases (emissions by sources and removals by sinks); climate change related policy and economic analysis and instruments, including national plans to mitigate climate change; development of climate-change-related legislation; climate technology needs surveys and assessments; institutional capacity building. Education, training and public awareness related to climate change. Climate-change-related research and monitoring as well as impact and vulnerability assessments. Oceanographic and atmospheric research and monitoring.