Measuring aid targeting the objectives of the Rio Conventions

This note contains statistics on bilateral Official Development Assistance (ODA) extended with the purpose of assisting developing countries in the implementation of the three Rio Conventions: the Framework Convention on Climate Change (UNFCCC), the Convention to Combat Desertification (UNCCD), and the Convention on Biological Diversity (UNCBD).

The developed countries that signed the three Rio Conventions in 1992 committed themselves to assist developing countries in the implementation of these Conventions. Since 1998, the DAC has monitored aid targeting the objectives of the Rio Conventions through its "Creditor Reporting System" (CRS) and the so-called "Rio markers". 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.

Definitions:

Biodiversity-related aid is defined as activities that promote at least one of the three objectives of the Convention: the conservation of biodiversity, sustainable use of its components (ecosystems, species or genetic resources), or fair and equitable sharing of the benefits of the utilisation of genetic resources.

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. This marker therefore only relates to *mitigation* aspects.

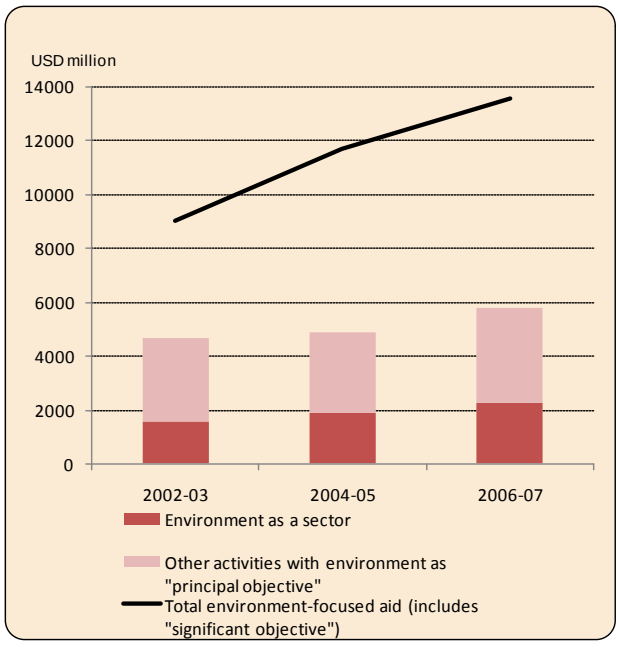
Desertification-related aid is defined as activities that combat desertification or mitigate the effects of drought in arid, semi arid and dry sub-humid areas through prevention and/or reduction of land degradation, rehabilitation of partly degraded land, or reclamation of desertified land.

Trends in aid to environment

A large majority of activities targeting the objectives of the Rio Conventions fall under the DAC definition of "aid to environment". The Rio markers permit their specific identification.

Chart 1. DAC members' aid to environment

2002-2007, two-year averages, commitments, constant 2007 prices



This chart illustrates aid to environment, as derived from both policy marker and sectoral data (see Annex for methodological notes).

Aid to "general environment protection" by DAC members was on average **USD 2.1 billion** over 2004-2007, which represented **3.1% of DAC members' total bilateral sector allocable aid**.

In addition, aid activities classified outside the "general environment protection" sector but that targeted the environment as a policy objective amounted to **USD 10.5 billion** (USD 3.2 billion for activities that had environment as a "principal objective"; USD 7.3 billion for "significant objective").

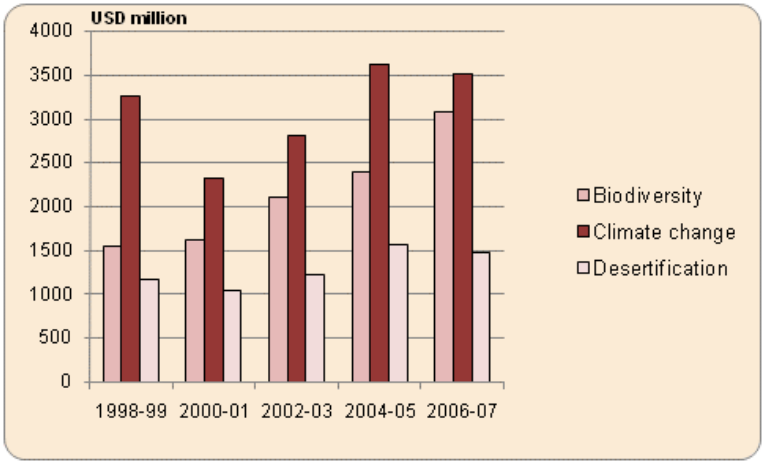
The exact amount of aid to environment is unknown since activities marked "significant objective" do not necessarily target environment sustainability in their entirety. However, the sum of aid to environment as a sector and of aid to environment as an objective gives an upper limit of aid targeting environment sustainability. In 2004-07, this upper-limit was **USD 12.6 billion**, representing **19%** of DAC members' total bilateral sector allocable aid.

Trends in aid targeting the objectives of the Rio Conventions

Chart 2 below shows recent trends in aid targeting the objectives of the Rio Conventions.

Chart 2. Trends in DAC members' aid targeting the objectives of the Rio Conventions

1998-2007, two-year averages, commitments, constant 2007 prices



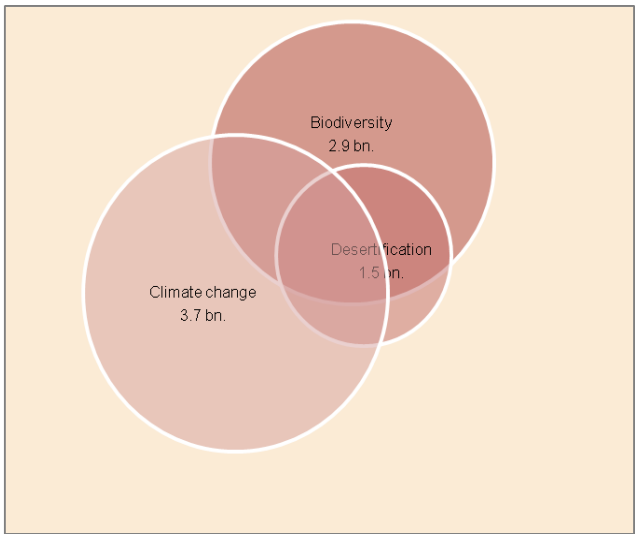
Note: covers 15 members with consistent data series over the entire period 1998-2006. In 2007, data were provided by 18 members (2 members' reporting was delayed).

In 2007[1], DAC members allocated approximately **USD 3.5 billion for biodiversity-related aid**, **USD 4.3 billion for climate-change-related aid** and **USD 1.7 billion for desertification-related aid.**

An activity can target the objectives of more than one of the Conventions at the same time, so data on biodiversity, climate change and desertification related aid should not be added up as this risks double counting, as illustrated in Chart 3 below.

Chart 3. DAC members' aid activities targeting several Rio conventions

2005-07 average, commitments, constant 2007 prices



[1] 2006 data for Germany and the Netherlands.

Aid targeting the objectives of the United Nations Convention on Biological Diversity (UNCBD)

Twenty-two DAC members reported a total of 7418 individual "biodiversity-related-aid" activities in the period 2005-07. The total value committed in the three years amounted to USD 8.5 billion.

Table 1 below gives an overview of data received. It shows, for each donor separately, the total value of biodiversity-related-aid reported in 2005-07, and an annual average over three years. Japan, EC and Germany accounted for 69% of the total volume. The share of biodiversity-related-aid in total bilateral ODA was largest for Japan, followed by Denmark, Netherlands and New Zealand. All in all, biodiversity-related-aid represented 2.6% of members' total bilateral ODA commitments in 2005-07.

Table 1. Biodiversity-related aid by DAC members

2005-07, 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	14.3	57.6	61.8	44.6	2.2	96
Austria	15.2	16.9	14.9	15.7	1.2	189
Belgium	29.6	37.4	67.6	44.9	2.6	282
Canada	6.3	85.1	61.9	51.1	1.5	176
Denmark	182.0	155.2	102.8	146.7	9.1	126
Finland	3.2	3.5	50.1	18.9	2.7	46
France	75.4	146.1	165.5	129.0	1.3	240
Germany	319.5	308.4	114.6	247.5	2.4	847
Greece	5.0	2.4	3.7	3.7	1.6	189
Ireland	0.0	..	29.5	9.8	1.4	107
Italy	..	13.4	115.0	42.8	1.7	116
Japan	1055.2	1154.3	1777.9	1329.1	9.5	804
Luxembourg	..	..	..	..	..	..
Netherlands	370.1	313.1	57.9	247.0	3.7	518
New Zealand	9.8	23.6	3.4	12.3	3.7	114
Norway	21.5	5.4	21.9	16.3	0.6	75
Portugal	1.3	0.8	1.0	1.0	0.4	38
Spain	76.4	89.3	96.8	87.5	2.9	1181
Sweden	3.6	31.1	0.3	11.6	0.4	53
Switzerland	26.8	27.0	50.4	34.7	2.4	240
United Kingdom	0.0	13.6	9.7	7.8	0.1	72
United States	37.4	40.8	22.1	33.4	0.1	886
EC	414.4	499.4	299.2	404.3	3.0	1023
Total	2666.9	3024.5	3127.7	2939.7	2.6	7418

Note: A number of countries did not report on the biodiversity marker, but reported activities under the "biodiversity" sub-sector: Finland (2005-2006), Germany (2007), Netherlands (2007), Norway (2005-2007), and the United States (2005-2007).

Chart 4.1 differentiates between principal and significant objectives. Chart 4.2 presents the sectoral breakdown of aid activities members reported as targeting the objectives of the UNCBD. It shows that, in value terms, biodiversity-related aid is mainly extended within the sectors of General Environmental Protection, Water Supply, Forestry and Agriculture.

Chart 4.1 Biodiversity-related aid

1998-2007, commitments, USD million, constant 2007 prices

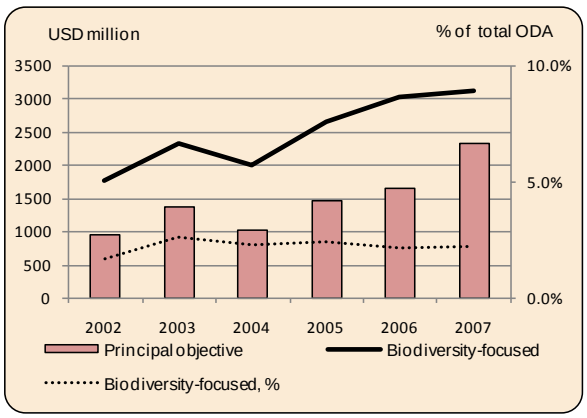
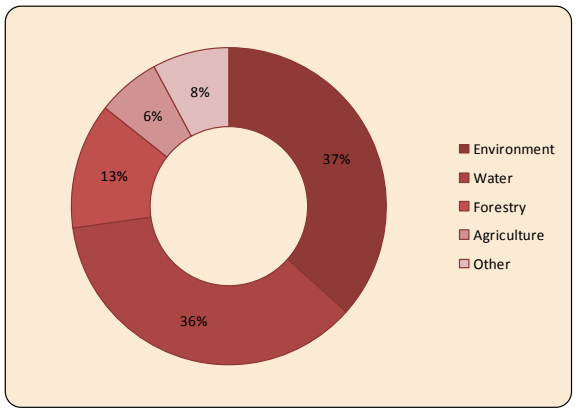


Chart 3.2 Biodiversity-related aid by sector

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



Aid targeting the objectives of the United Nations Framework Convention on Climate Change (UNFCCC)

Nineteen DAC members reported a total of 4275 individual "climate-change-related aid" activities in the period 2005-07. Table 2 gives an overview of data received.

Table 2. 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	..	732.5	7.2	836
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	..	150.4	2.2	302
New Zealand	8.7	14.9	2.8	8.8	2.7	73
Norway	..	..	..	0.0	0.0	0
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	2844.2	3679.8	3.2	4275

Note: Data submission on Rio markers for 2007 by Germany and the Netherlands was delayed. The data shown for the United States are partial.

Chart 5.1 differentiates between principal and significant objectives. Chart 5.2 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 5.1 Climate-change-related aid

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

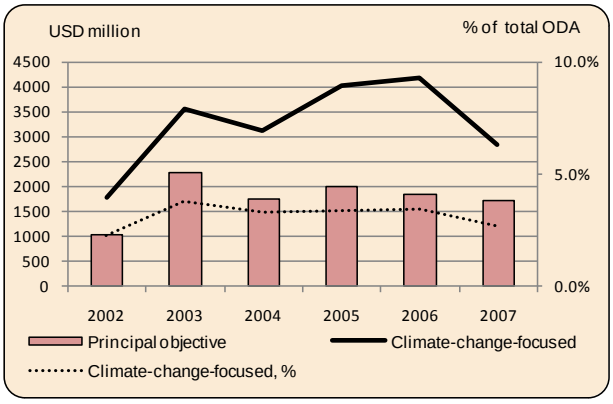
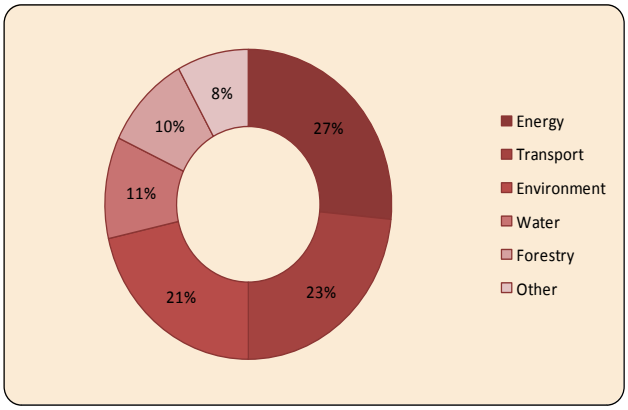


Chart 5.2 Climate-change-related aid by sector

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



Data missing for Germany and the Netherlands in 2007.

Aid targeting the objectives of the United Nations Convention to Combat Desertification (UNCCD)

Table 3 gives an overview of the data received. It shows, for each donor separately, the total value of desertification-related aid per year and an annual average over the period 2005-07. Japan, EC and Germany accounted for 57% of the total value (followed by the Netherlands, Denmark and France), whereas the share of desertification-related aid in total bilateral ODA was largest for Denmark.

Table 3. Desertification-related aid by DAC members

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

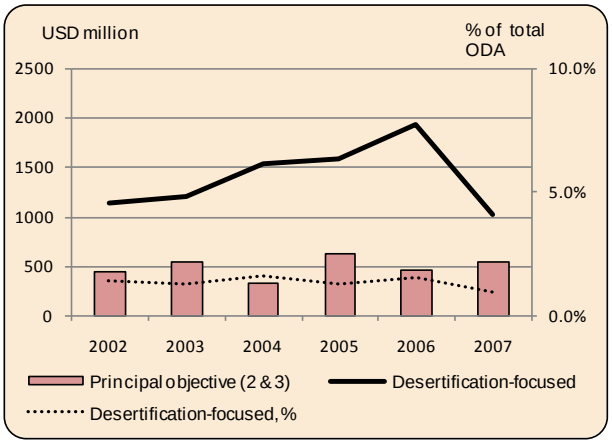
	2005	2006	2007	Annual average 2005-07		
	USD million	USD million	USD million	USD million	% of total bilateral ODA	Total number of marked activities
Australia	3.7	15.6	44.8	21.4	1.1	48
Austria	13.4	19.0	11.6	14.7	1.1	145
Belgium	36.7	37.6	83.2	52.5	3.1	223
Canada	40.5	83.4	25.8	49.9	1.5	77
Denmark	205.7	91.8	90.0	129.2	8.0	116
Finland	..	..	23.8	7.9	1.1	12
France	15.7	180.3	107.2	101.1	1.0	92
Germany	265.9	335.4	..	200.4	2.0	626
Greece	2.0	1.9	5.4	3.1	1.3	154
Ireland	..	..	29.5	9.8	1.4	105
Italy	..	6.6	37.3	14.6	0.6	94
Japan	337.0	310.7	396.5	348.1	2.5	180
Luxembourg	..	..	..	..	..	..
Netherlands	283.0	289.6	..	190.9	2.8	399
New Zealand	0.0	0.0	0.0	0.0	0.0	0
Norway	..	..	..	0.0	0.0	0
Portugal	1.6	0.6	0.4	0.9	0.3	25
Spain	57.3	45.5	30.2	44.3	1.4	558
Sweden	2.6	13.2	0.3	5.3	0.2	22
Switzerland	..	..	..	0.0	0.0	0
United Kingdom	0.6	11.9	4.1	5.5	0.1	14
United States	..	..	..	..	..	..
EC	325.6	496.2	142.3	321.4	2.4	576
Total	1591.4	1939.4	1032.3	1521.0	1.3	3466

Note: Data submission on Rio markers for 2007 by Germany and the Netherlands was delayed.

Chart 6.1 differentiates between principal and significant objectives. Chart 6.2 presents the sectoral breakdown of aid activities in terms of value. It shows that desertification-related aid is mainly extended within the sectors of General Environment Protection, Forestry, Water and Agriculture.

Chart 6.1 Desertification-related aid

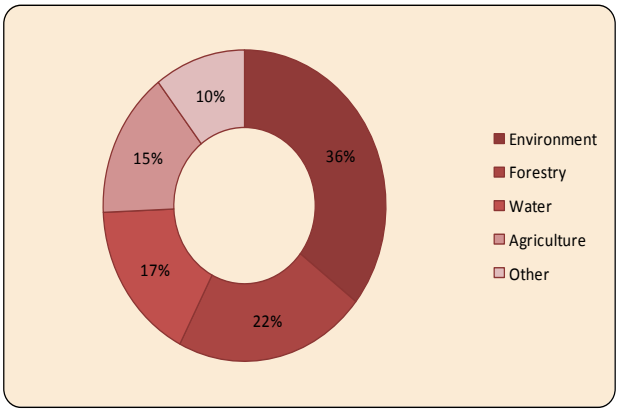
2002-07, commitments, USD million, constant 2007 prices



Data missing for Germany and the Netherlands in 2007.

Chart 6.2 Desertification-related aid by sector

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



Annex – Monitoring aid flows targeting the objectives of the Rio Conventions

Rio markers' methodology

CRS Aid Activity database

DAC and CRS data are the unique source for official, standard and comparable statistics on Official Development Assistance (ODA).

The OECD Development Assistance Committee (DAC) collects aid flows at activity level through the Creditor Reporting System (CRS) and expanded CRS (CRS++), and in the form of aggregates through the annual DAC Questionnaire. The data collection is based on a standard methodology and agreed definitions.

Methodology

Aid to environment in general

Statistics on "aid to environment" are derived from both policy marker and sectoral data. The environmental sustainability marker identifies activities that are "intended to produce an improvement in the physical and/or biological environment of the recipient country, area or target group concerned" or "include specific action to integrate environmental concerns with a range of development objectives through institution building and/or capacity development". Environment is also identified as a sector of destination. The sector classification includes a multisector/cross-cutting category for "general environmental protection" to distinguish multisectoral environmental conservation programmes and activities such as environmental policy and administration or environmental education, training and research.

Aid targeting the objectives of the Rio Conventions

In their reporting to the CRS, donors are requested to indicate for each activity whether or not it targets the objectives of the three Rio Conventions. A large majority of activities targeting these objectives fall under the definition of aid to environment. The "Rio markers" for "biodiversity", "climate change", and "desertification" permit their specific identification, and are based on a scoring system:

0 Not targeted
1 Significant objective
2 Principal objective
3 For desertification only: action programmes

Principal (primary) policy objectives are those which can be identified as being fundamental in the design and impact of the activity and which are an explicit objective of the activity. They may be selected by answering the question "would the activity have been undertaken without this objective?".

Significant (secondary) policy objectives are those which, although important, are not one of the principal reasons for undertaking the activity.

The score **not targeted** means that the activity has been screened against, but was found not be targeted to, the policy objective.

Definitions

The definitions are part of the CRS reporting directives, and reproduced at the end of this note. The text also includes criteria for eligibility, examples, and key features of the Conventions, to ensure common understanding of the definitions among reporters.

The methodology has been developed in close collaboration between the DAC Working Party on Statistics, the DAC Network on Environment and Development Co-operation, the Conventions' Secretariats and the Global Mechanism.

Guidance for data analysis

Marker data do not allow exact quantification of aid to the objectives. They give an indication of the policy objectives of aid (best estimate).

- The full amounts of activities marked as "principal" can be considered as contributing to the policy objective.
- Less than the full value of activities marked as "significant" target the objective, and these amounts should be considered with caution: only a proportion may have actually targeted the Convention (e.g. an energy project of USD 50 million may be designed with an integrated climate change mitigation component of USD 10 million). Proportions can be very variable between activities and are not known.
- Activities can target the objectives of the three Conventions at the same time, and data should not be added up.

Examples

These examples are taken from DAC members' CRS reporting in 2007.

Donor	Recipient	Project title	Amount USD '000	Sector	Bio-diversity	Climate change	Deserti-fication
Belgium	South Asia	Integrated rural development	1327	Rural development	1	1	2
Switzerland	Nicaragua	Uses of hydroelectricity	1041	Energy	0	2	0
Finland	Indonesia	Protection of biodiversity, livelihood and ecology	945	Forestry	2	1	0

DEFINITIONS OF RIO MARKERS – Extract from CRS Directives [Annex 7]
www.oecd.org/dac/stats/crs/directives

AID TARGETING THE OBJECTIVES OF THE CONVENTION ON BIOLOGICAL DIVERSITY	
DEFINITION **An activity should be classified as bio-diversity-related (score Principal or Significant) if:**	It promotes at least one of the three objectives of the Convention: the conservation of bio-diversity, sustainable use of its components (ecosystems, species or genetic resources), or fair and equitable sharing of the benefits of the utilisation of genetic resources.
CRITERIA FOR ELIGIBILITY	The activity contributes to a) protection or enhancing ecosystems, species or genetic resources through in-situ or ex-situ conservation, or remedying existing environmental damage; **or** b) integration of bio-diversity concerns with recipient countries' development objectives through institution building, capacity development, strengthening the regulatory and policy framework, or research; **or** c) developing countries' efforts to meet their obligations under the Convention. The activity will score "**principal objective**" if it directly and explicitly aims to achieve one or more of the above three criteria.

EXAMPLES OF TYPICAL ACTIVITIES
1. Typical activities take place in the sectors of:
Water and sanitation
Agriculture
Forestry
Fishing
Tourism
	• Integration of biological diversity concerns into sectoral policy, planning and programmes; e.g.
	  • Water resources protection and rehabilitation; integrated watershed, catchment and river basin protection and management;
	  • Sustainable agricultural and farming practices including substitution of damaging uses and extractions by out-of-area plantations, alternative cultivation or equivalent substances; integrated pest management strategies; soil conservation; in-situ conservation of genetic resources; alternative livelihoods;
	  • Combating deforestation and land degradation while maintaining or enhancing biodiversity in the affected areas;
	  • Promotion of sustainable marine, coastal and inland fishing;
	  • Sustainable use of sensitive environmental areas for tourism.

2. Typical non-sector specific activities are: *Environmental policy and administrative management* *Biosphere and bio-diversity protection* *Environmental education/ training* *Environmental research*	• Preparation of national bio-diversity plans, strategies and programmes; bio-diversity inventories and assessments; development of legislation and regulations to protect threatened species; development of incentives, impact assessments, and policy and legislation on equitable access to the benefits of genetic resources. • Establishment of protected areas, environmentally oriented zoning, land use and regional development planning. • Protecting endangered or vulnerable species and their habitats, e.g. by promoting traditional animal husbandry or formerly cultivated/collected plants or ex-situ conservation (e.g. seed banks, zoological gardens). • Capacity building in taxonomy, bio-diversity assessment and information management of biodiversity data; education, training and awareness-raising on bio-diversity. • Research on ecological, socio-economic and policy issues related to bio-diversity, including research on and application of knowledge of indigenous people.

AID TARGETING THE OBJECTIVES OF THE FRAMEWORK CONVENTION ON CLIMATE CHANGE	
DEFINITION	
An activity should be classified as climate-change-related (score Principal or Significant) if:	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.
CRITERIA FOR ELIGIBILITY	The activity contributes to a) the mitigation of climate change by limiting anthropogenic emissions of GHGs, including gases regulated by the Montreal Protocol; **or** b) the protection and/or enhancement of GHG sinks and reservoirs; **or** c) 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** d) developing countries' efforts to meet their obligations under the Convention. The activity will score "**principal objective**" if it directly and explicitly aims to achieve one or more of the above four criteria.
EXAMPLES OF TYPICAL ACTIVITIES **1. Typical activities take place in the sectors of:** *Water and sanitation* *Transport* *Energy* *Agriculture* *Forestry* *Industry*	• 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.
2. Typical non-sector specific activities are: *Environmental policy and administrative management* *Biosphere protection* *Biodiversity* *Env. education/training* *Environmental research*	• 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.

AID TARGETING THE OBJECTIVES OF THE CONVENTION TO COMBAT DESERTIFICATION

DEFINITION

An activity should be classified as desertification- related (score Principal or Significant) if:

It aims at combating desertification or mitigating the effects of drought in arid, semi arid and dry sub-humid areas through prevention and/or reduction of land degradation, rehabilitation of partly degraded land, or reclamation of desertified land.

CRITERIA FOR ELIGIBILITY

The activity contributes to

a) protecting or enhancing dryland ecosystems or remedying existing environmental damage; **or**
b) integration of desertification concerns with recipient countries' development objectives through institution building, capacity development, strengthening the regulatory and policy framework, or research; **or**
c) developing countries' efforts to meet their obligations under the Convention.

The activity will score "**principal objective**" if it directly and explicitly relates to one or more of the above criteria, including in the context of the realisation of national, sub-regional or regional action programmes.

EXAMPLES OF TYPICAL ACTIVITIES

1. Typical activities take place in the sectors of:

Water and sanitation
Agriculture
Forestry

- Integration of action to combat desertification and land degradation into sectoral policy, planning and programmes (e.g. agricultural and rural development policy, plans and programmes);
  - Rehabilitation of land, vegetation cover, forests and water resources, conservation and sustainable management of land and water resources;
  - Sustainable irrigation for both crops and livestock to reduce pressure on threatened land; alternative livelihood projects;
  - Development and transfer of environmentally sound traditional and local technologies, knowledge, know-how and practices to combat desertification, e.g. methods of conserving water, wood (for fuel or construction) and soil in dry areas.

2. Typical non-sector specific activities are:

Environmental policy and administrative management
Env. education/training
Environmental research

- Preparation of strategies and action programmes to combat desertification and mitigate the effects of drought; establishment of drought early warning systems; strengthening of drought preparedness and management; observation and assessment of CCD implementation, including monitoring and evaluation of impact indicators;
- Measures to promote the participation of affected populations in planning and implementing sustainable resource management or improving security of land tenure;
- Support for population/migration policies to reduce population pressure on land;
- Capacity building in desertification monitoring and assessment; education, training and public awareness programmes related to desertification and land degradation;
- Research on desertification and land degradation.