

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

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International Network on Conflict and Fragility (INCAF)

Where ODA meets peace, climate and environmental goals: a preliminary analysis

This note analyses aid in pursuit of peace-, climate- and environment-related objectives using the OECD Creditor Reporting System data. It highlights the lower share of climate- and environment-related ODA received by fragile contexts. It shows ODA activities linking peace and environmental goals represent a small but growing proportion of the ODA portfolio and provides examples of ODA projects pursuing peace objectives through environmental activities and vice-versa.

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Findings

1. A diverse set of development activities are addressing links between peace, climate and environmental goals. Examples include: combating wildlife trafficking, natural resource governance projects with a peace objective, supporting indigenous peoples within endangered ecosystems, supporting displaced people in climate-vulnerable and conflict-prone areas, implementing early warning systems for natural disasters, aiding energy transition in fragile contexts, and empowering youth groups and environmental activism to support reconciliation in conflict-affected societies. These initiatives can be used as a starting point to expand DAC engagement at the intersections of peace, climate and environment.
2. Interlinkages between peace, climate and environmental goals are increasingly acknowledged. However, ODA support in this space is still small, reaching 3.1 billion USD or 1.7% of total DAC bilateral ODA on average for 2020/21.
3. Contexts identified as fragile by the OECD Fragility framework received 40% of country-allocable climate-related ODA, on average for 2020/21.¹ A similar situation is observed for ODA jointly pursuing peace and environmental goals. About 36% of total ODA pursuing peace, climate and environmental objectives went to fragile contexts on average during 2020/21.
4. On average in 2020/21, 1.2% of total country-allocable ODA to fragile contexts jointly pursued peace and environmental goals as opposed to 2% in other developing countries. In fragile contexts, the overlap between peace-related and climate- and environment-related ODA represents less than 15% of both domains. Peace, climate and environmental agendas are still disconnected within the ODA portfolio. This suggests more could be done to link peace, climate and environmental goals, and particularly so in fragile contexts.
5. Germany, the EU, France and The Netherlands are the largest DAC providers of peace- and environment-related ODA, together accounting for 71% of the funding for 2020/21. However, when expressed as a share of each donor's total ODA, the largest providers are The Netherlands, Sweden, Finland and Iceland. For these donors, peace- and environment-related ODA represents more than 3% of their total ODA (average 2020/21).
6. Sub-Saharan Africa is the largest recipient region of peace- and environment-related ODA (18% of the total in 2020/21). For individual countries, Georgia, Colombia, Tunisia, Jordan and the Democratic Republic of the Congo received the largest allocations (more than 50 million USD per year on average during 2020/21) due to a small set of more significant projects.

¹ Country-allocable refers to all ODA flows whose recipient is specified. In practice, this excludes regional flows and bilateral unspecified flows.

1. Introduction

7. This note provides the latest information on bilateral official development assistance (ODA) for peace- and environment-related development activities, based on OECD data up to 2021, in 2021 constant prices. It combines the OECD Development Assistance Committee (DAC) Rio markers with the set of purpose codes from the Creditor Reporting System (CRS) that is used to track the Peace component of the HDP nexus.²

8. The [OECD-DAC Declaration on a new approach to align development co-operation with the goals of the Paris Agreement on Climate Change](#) acknowledges that climate change, environmental degradation, desertification and biodiversity loss exacerbate conflict and fragility risks. The OECD integrates ‘environmental fragility’ as one of the six dimensions of its Fragility framework, to reflect the complex interrelationships between climate change, environmental degradation, desertification and biodiversity loss on the one hand, and conflict and fragility on the other.

9. Evidence of direct causal linkages between climate change and conflict is [mixed and contested](#). Yet, climate change and environmental degradation became important dimensions of conflict and fragility in some contexts. Climate change and environmental degradation disproportionately affect the poorest and most vulnerable, [a majority of which live in fragile contexts](#). Climatic shocks like droughts or floods may put unprecedented pressure on weak national institutions and compound existing tensions through indirect pathways, such as driving up food prices, diminishing the availability of fertile soils, or triggering displacement and migration.

10. As a global phenomenon, fragility can also undermine effective responses to climate and environmental crises. On a macro level, a less peaceful and politically more fragmented world renders global action on climate mitigation and adaptation considerably more difficult. On a local level, it jeopardizes the protection and regeneration of

² The scope of the data analysed here differs from OECD or other assessments of progress by countries towards the goal of mobilising USD 100 billion per year by 2020 for climate action in developing countries, in the context of the United Nations Framework Convention on Climate Change. See more on those in [OECD \(2022\)](#) and on progress against the Convention on Biological Diversity Aichi Targets in [OECD \(2021\)](#).

Bilateral climate-, biodiversity- and desertification-related ODA are tracked through the Rio Markers to determine whether, and to what extent activities have a principal (primary) or a significant (secondary) objective of supporting biodiversity, climate change adaptation, climate change mitigation and/or to combat desertification. Climate-related ODA includes activities that have at least one marker set to 1 or 2 among the adaptation and mitigation Rio markers. Environment-related ODA includes activities that have at least one marker set to 1 or 2 among all Rio markers and also the OECD-DAC [Environment marker](#).

The set of codes used to track the Peace component of the HDP nexus is as follows: 15110, 15111, 15112, 15113, 15130, 15150, 15152, 15153, 15160, 15170, 15180, 15190, 15210, 15220, 15230, 15240, 15250, 15261. See [OECD States of Fragility Data Platform](#). Peace- and environment-related ODA includes activities that qualify as environment-related ODA and whose purpose code is among those used to track the Peace component of the HDP nexus.

This note tracks climate-, biodiversity- and desertification-related ODA as reported by DAC donors using the Rio markers. It thus leaves out some of the information contained in the CRS but not tagged with those markers, including some ODA targeting the Sustainable Development Goals, other official flows, private finance mobilised through public interventions, as well as funding from multilateral donors and private philanthropy.

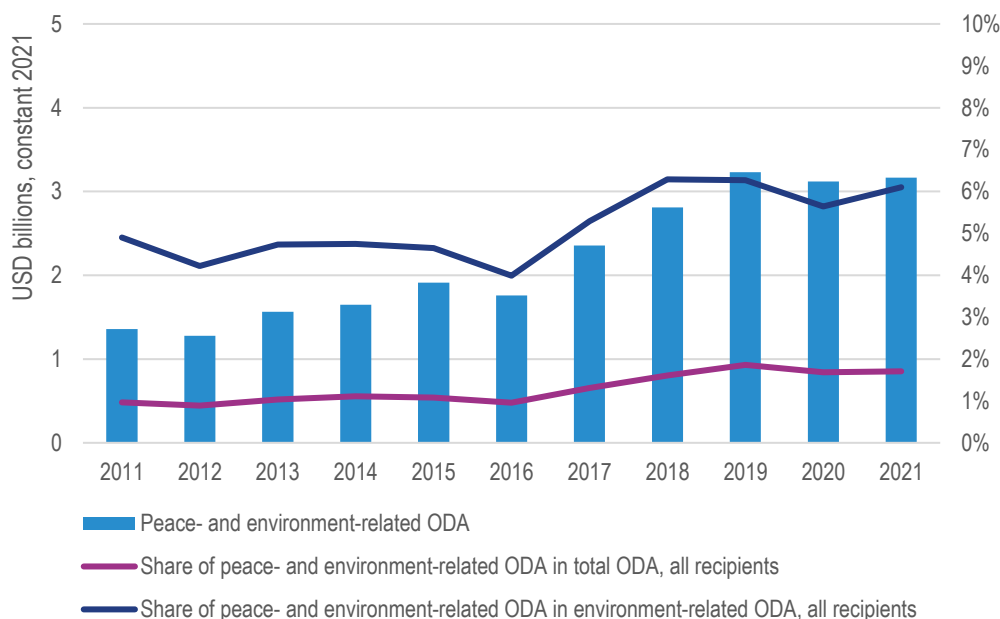
ecosystems. Several biodiversity hotspots and ecosystems that are critical to planetary health are situated in fragile or conflict-affected contexts (e.g., the Congo rainforests), underlining the importance of peace as a precondition for effective climate and environmental action.

11. ODA can support efforts linking peace, climate and environmental agendas. As this note shows, ODA allocations to development activities pursuing climate, environment and peace-related objectives are growing, but still represent a minor proportion of the ODA portfolio. A number of innovative initiatives stand out and engagement is on the increase, though from a modest base.

2. How much ODA links peace, climate and the environment?

12. The share of ODA that is both peace ODA and meets Rio markers and the OECD-DAC Environment marker increased during the past decade, from USD 1.3 billion in 2011 to about 3.1 billion USD on average during 2020/21 (a more than 2-fold increase) (Figure 1). In 2021, the share of peace- and environment-related ODA in total environment-related ODA was 6%.

Figure 1. DAC bilateral peace- and environment-related ODA



Note: total yearly ODA figures include country recipients, regional flows and bilateral (unspecified).

Source: authors using OECD (2023^[1]).

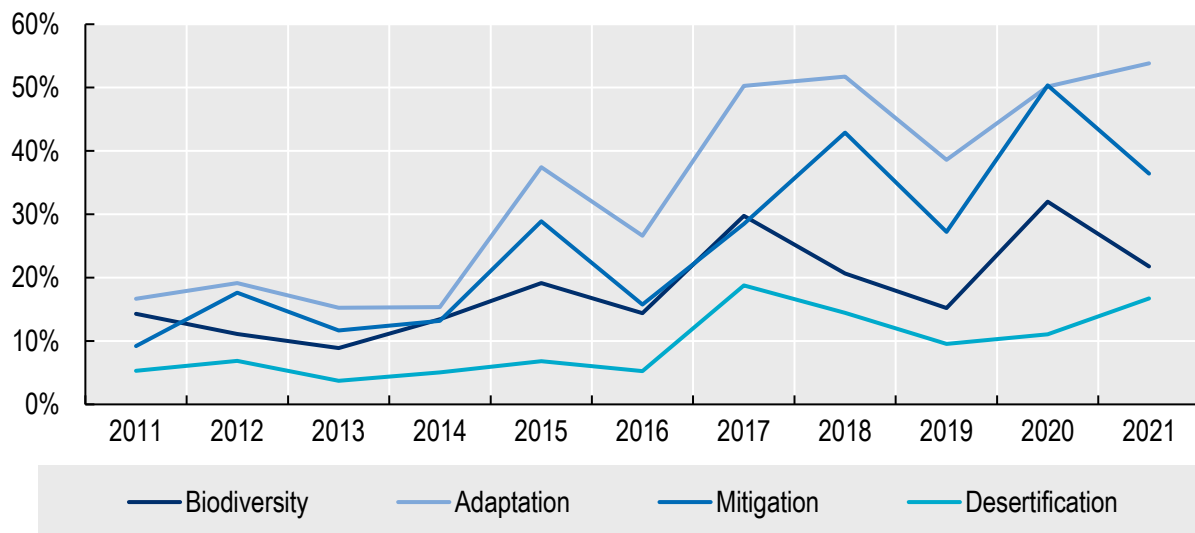
13. The significant expansion of ODA allocations during 2016 and 2017 was driven by the EU followed by Germany and France. In more recent years, Germany became the largest contributor. The increasing trend in peace- and environment-related ODA is due to augmented funding across a large number of projects, focusing on the following sectors: support to democratic participation, public sector policy, decentralisation and media. The majority of peace- and environment-related ODA has mitigation, adaptation, biodiversity, desertification and/or other environmental objectives tagged as ‘significant’ (89% for

2020/21). The remainder has at least one of these objectives (mitigation, adaptation, biodiversity, desertification and other environmental) as a ‘principal’ objective.

14. Peace- and environment-related ODA remains a small part of the ODA portfolio, only representing 1.7% of total DAC bilateral ODA on average for 2020/21. The overlap between peace-related and climate- and environment-related ODA is small. For fragile contexts, it represents less than 15% of both of these ODA domains in recent years. Peace, climate and environmental agendas are still disconnected to a significant degree, particularly in fragile contexts.

15. Looking at the disaggregation of commitments across Rio markers shows most activities target adaptation and mitigation objectives (52% and 43% respectively on average for 2020/21) (Figure 2).

Figure 2. DAC bilateral climate-, environment- and peace-related across Rio markers



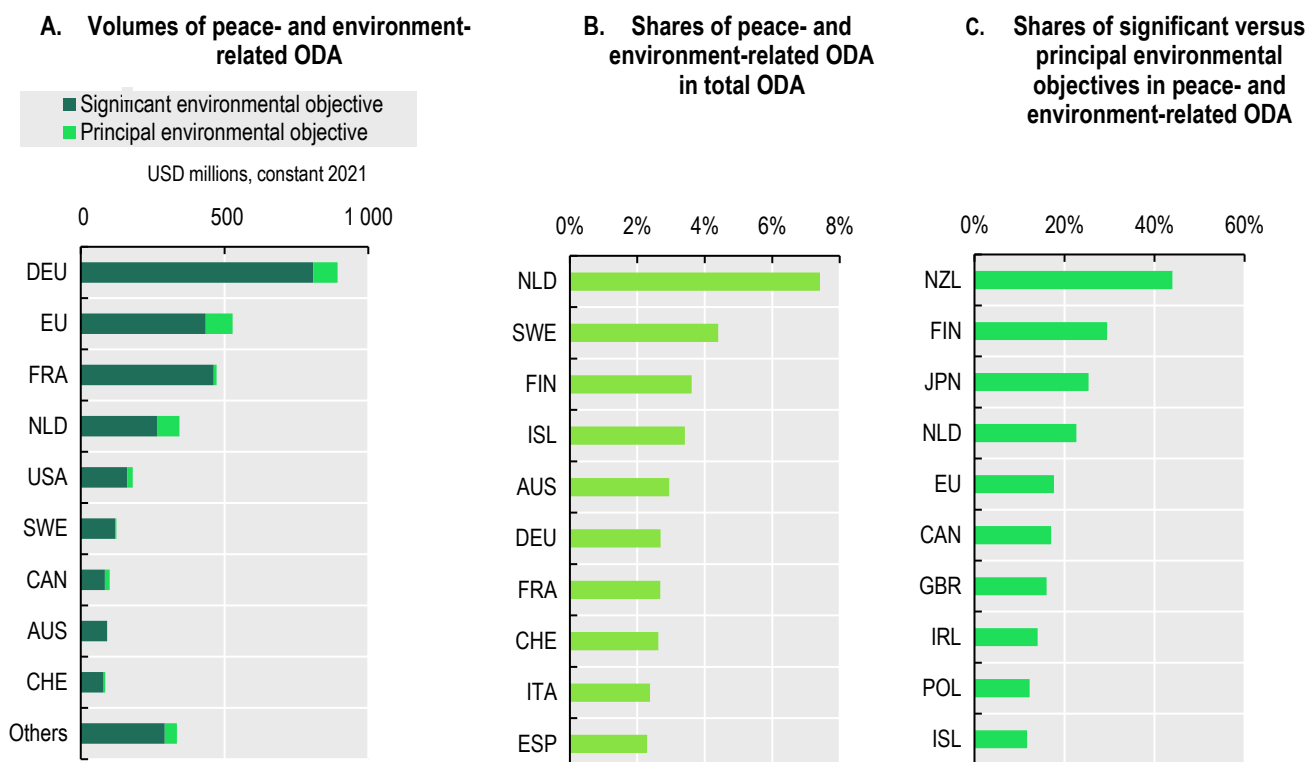
Source: authors using OECD (2023^[1]).

3. Which DAC members focus on peace- and environment-related ODA?

16. The largest provider of peace- and environment-related ODA is Germany, with allocations of USD 893 million per year on average for 2020/21. It is followed by the EU, France and The Netherlands (Figure 3, A).

17. Proportionally, The Netherlands, Sweden, Finland and Iceland are allocating a greater share of their portfolio to linking peace and environmental goals. The proportion of peace-related commitments targeting climate adaptation, mitigation, biodiversity, desertification or other environmental as *principal* objectives is highest for New Zealand, Finland, Japan and The Netherlands. For these donors, development activities grouped under peace- and environment-related ODA more directly pursue environment-related objectives.

Figure 3. DAC bilateral peace- and environment-related ODA across DAC members, average 2020/21

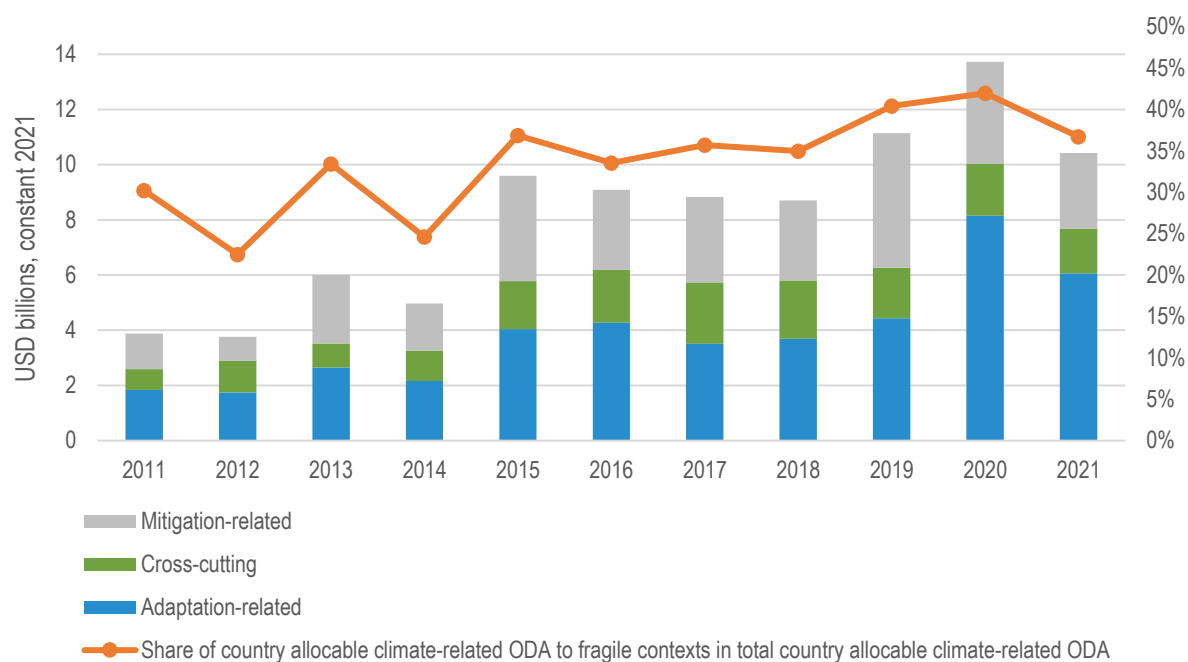


Source: authors using OECD (2023^[1]).

4. Who receives peace- and environment-related ODA?

18. Fragile contexts are known to receive less climate- and environment-related ODA than other developing countries (OECD 2022). Fragile contexts received 40% of country-allocable climate-related ODA, on average for 2020/21 (Figure 4). Looking at the broader flow of environment-related country-allocable ODA, 41% went to fragile contexts during 2020/21.

19. A similar situation is observed for ODA jointly pursuing peace and environmental goals. About 36% of total peace- and environment-related ODA went to fragile contexts during 2020/21. The share of total ODA to other developing countries jointly pursuing peace and environmental goals was 2% in 2020/21, as opposed to 1.2% for fragile contexts. This suggests more could be done to link peace and environmental goals in fragile contexts in particular.

Figure 4. DAC bilateral climate-related ODA to fragile contexts

Source: authors using OECD (2023^[1]) and OECD Fragility framework.

20. Peace- and environment-related ODA spreads across multiple recipients. Six recipients received more than 50 million USD on average for 2020/21: Georgia, Colombia, Tunisia, Jordan, Democratic Republic of the Congo and Ukraine (Figure 5). Only 6 of the 15 largest recipients of peace- and environment-related ODA are part of the 60 fragile contexts identified by the 2022 OECD framework.

21. Types of development activities and projects are highly diverse. Activities exemplifying links between climate, environmental and peace goals for the 2019-2021 period are listed below.³

- **Brazil:** the ‘Advancing sustainable management’ project in the Brazilian Amazon funded by Norway aims to support “local communities in rights-based sustainable management of large contiguous rainforest corridors in the Amazon. The project has particular focus on sustainable income-generating activities in protected areas and indigenous territories, and to enhance territorial protection by indigenous peoples themselves”. The project aims to address linkages between sustainable natural resource management, local livelihoods and the resolution of tensions between state authorities and indigenous peoples in endangered ecosystems.
- **Bolivia and Uganda:** the project on ‘Expanding Local Intelligence Networks to Combat Jaguar Illegal Wildlife Trade in Bolivia’ aims to build local capacities to increase law enforcement on wildlife trafficking, conduct outreach activities and strengthen controls to “safeguard natural resource management and livelihoods”. Similarly, the project on ‘Holding Uganda-based transnational wildlife criminals accountable by empowering financial investigations’ in Uganda works with local authorities to fight wildlife trafficking through improved financial literacy and court

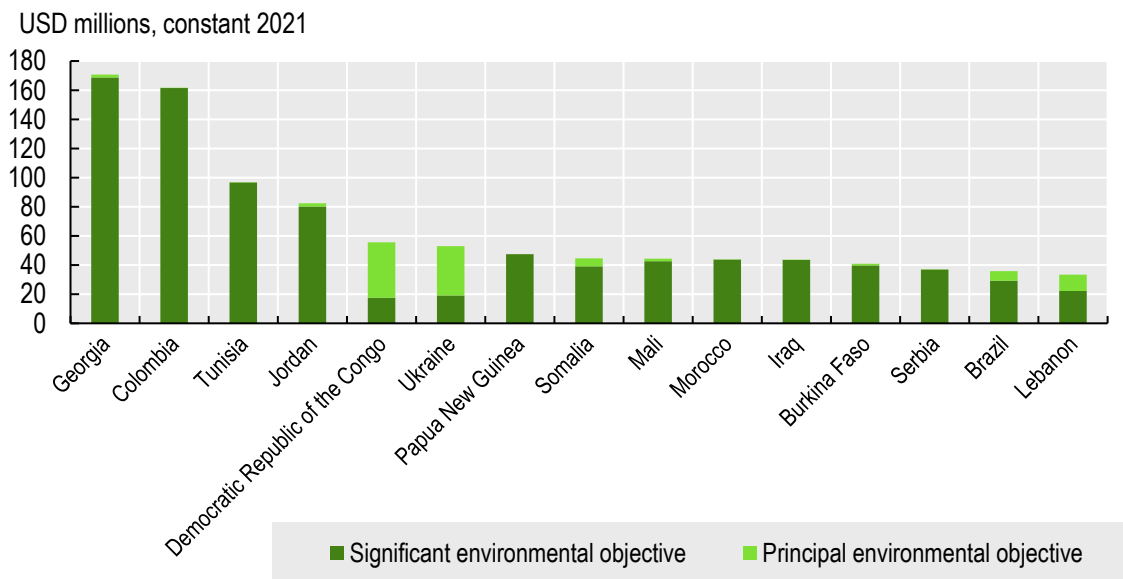
³ Project information was sourced from the OECD Creditor Reporting System.

procedures. Both projects, funded by the UK, target the link between environmental protection and illegal wildlife trade that erodes state authority and fuels fragility.

- **Burkina Faso:** the program to ‘strengthen the resilience of agropastoral households in view of climatic crises and insecurity (RESILIA)’ funded by Switzerland targets herder communities to support adaptation of herding practices to climate change. The project also aims to contribute to peacebuilding in the Sahel through improved herder livelihoods.
- **Bosnia and Herzegovina:** the ‘strengthening of Zelena Mreža/Green Initiative’ funded by Italy in collaboration with UNDP supports networks of young environmental activists. It seeks to “promote reconciliation and social cohesion through youth involvement”. Through ‘green youth networks’, the project aims to advance both sustainable development and reconciliation objectives.

22. From a regional perspective, Sub-Saharan Africa is the largest recipient of climate, environment and peace-related ODA, attracting 18% of commitments on average during 2020/21. It is followed by South America and South & Central Asia, each representing 11% of commitments for these years. The Middle East and North Africa received 8% and 5% respectively of peace- and environment-related ODA.

Figure 5. Top 15 recipients of DAC bilateral peace- and environment-related ODA, average 2020/21



Source: authors using OECD (2023^[1]).

5. Which sectors does peace- and environment-related ODA target?

23. Peace and environment-related ODA concentrates on ‘democratic participation & civil society’, ‘public sector policy’, ‘decentralisation’ and ‘media’ (Figure 6). These sectors represented 69% of the total on average over 2020/21. The ‘women’s rights’ and ‘migration’ sectors both stood below 6% of the total. The share of peace- and environment-related ODA targeting mitigation, adaptation, biodiversity loss, desertification or other

environmental objectives as ‘principal’ objectives was highest for ‘child soldiers’ (51%) and ‘anti-corruption organisations’ (37%).

24. Examples of initiatives with at least one significant Rio marker within ‘democratic participation & civil society’ are as follows.

- Projects funded by The Netherlands supporting civil society and youth groups engaging in climate action through partnerships called ‘Power of Voices’ across multiple countries.
- France funded a project in Northern Chad supporting all aspects of livelihoods in an arid, conflict-prone environment.
- A project funded by Germany has been implementing civic education activities and promoting inclusive legislation to support the political participation of youth groups in rural areas in Jordan and Lebanon, encouraging engagement on environmental protection.

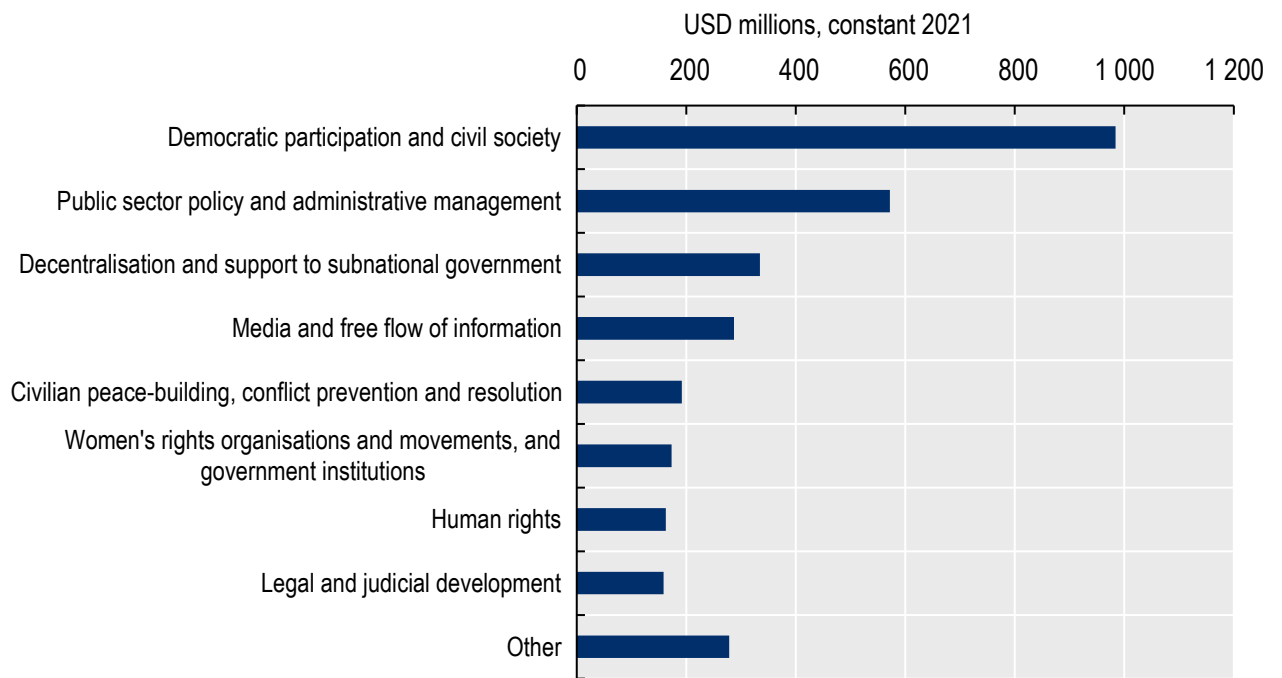
25. Overall, within this sector, Guatemala (USD 14 million), Mali (USD 13 million) and Turkey (USD 11 million) were the largest recipients, on average for 2020/21. Germany (USD 333 million), The Netherlands (USD 257 million) and EU Institutions (USD 148 million) were the largest donors in this sector.

26. Under ‘**public sector policy**’, large projects with at least one significant Rio marker include the following:

- Concessional credits from France to Georgia, Tunisia and Serbia to support climate resilience and the energy transition, with a focus on strengthening regulatory frameworks and public institutions, and improving energy access for low-income households.
- A project funded by Korea in the Dominican Republic supporting energy sector reform to advance the energy transition and support macroeconomic stability.
- In Pakistan, Japan has been supporting the installation of weather surveillance radars to improve protection of people from heavy rainfall in a fragile context.

27. Overall, the largest recipients in this sector on average during 2019-2021 were Georgia (USD 164 million), Tunisia (USD 91 million) and Serbia (USD 30 million). In terms of donors, France (USD 283 million), EU Institutions (USD 86 million) and Australia (USD 49 million) were the largest.

Figure 6. DAC bilateral peace- and environment-related ODA by purpose code, average 2020/21



Source: authors using OECD (2023_[1]).