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RESULTS OF THE SURVEY ON THE COEFFICIENTS APPLIED TO RIO MARKER DATA WHEN REPORTING TO THE UN CONVENTIONS ON CLIMATE CHANGE AND BIODIVERSITY

Informal WP-STAT meeting, 24-25 November and 16 December 2020.

This note presents the results of the questionnaire circulated earlier in 2020 on the coefficients applied to Rio markers data when reporting to the UNFCCC and CBD.

The note has been revised to include the coefficients used by Canada for Biodiversity.

The document is presented for INFORMATION under item 7.b of the informal WP-STAT meeting of 24-25 November and 16 December.

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Results of the survey on the coefficients applied to Rio marker data when reporting to the UN Conventions on Climate Change and Biodiversity

Background

1. Rio markers were introduced in the DAC statistical system more than twenty years ago to monitor aid targeting the Rio Conventions on Biological Diversity (CBD), Climate Change (UNFCCC) and Desertification (CCD). They measure the extent to which the Conventions' objectives are pursued in development co-operation activities using three scores: "principal objective", "significant objective" and "not targeted". Marker data were initially collected in a dedicated survey in 1999[1]. In 2004, the Rio markers were introduced in the regular CRS data collection for a trial period of three years[2], and in 2008 on a permanent basis[3]. In 2009, the climate change adaptation marker was introduced to complement the marker on climate change mitigation[4].

2. DAC members report Rio markers comprehensively, and the data are widely used by the public[5]. Rio markers activity-level data is a fundamental element of transparency of development finance supporting the objectives of the Conventions. International bodies, governmental and non-governmental institutions, as well as independent experts and scholars all use the Rio marker data to assess international public support in these areas.

[1] See: DCD/DAC/STAT(2000)8

[2] See: DCD/DAC/STAT(2004)8

[3] See: DCD/DAC/STAT(2008)20 and DCD/DAC/STAT/M(2008)2/FINAL

[4] See: DCD/DAC(2007)39/FINAL/ADD3

[5] See: DCD/DAC/STAT(2020)27, section 3.

3. Rio markers are widely used by DAC members as a basis for their regular reporting to the three Rio Conventions[6]. As regards the UNFCCC and the CBD, most DAC members calculate the volumes of finance applying fixed coefficients to the Rio marker scores. To further enhance transparency on the reporting methods, the WP-STAT agreed in 2018 to conduct a survey, on a voluntary basis, on the coefficients applied to Rio marker data when reporting to the UN Conventions on Climate Change and Biodiversity[7]. Eleven DAC members participated in the 2018 Survey, with the results publicly disclosed in 2019[8].

4. In 2020, the Secretariat conducted a second voluntary survey of DAC members, with participation increasing to twenty-one members. This note presents its results and compares them with the results of the previous edition.

The Rio markers coefficients survey

5. The objective of the Rio markers coefficients survey is to shed light on the methodology that members use to transform their Rio marker data to financial data submitted to the UNFCCC and to the CBD in 2017-18. The survey is voluntary and requests information on:

- whether coefficients are assigned at the activity level or based on the Rio markers scores,
- what coefficient values are applied and
- whether amounts reported to the UNFCCC and the CBD are based on commitments or disbursements.

Results

6. Twenty-one DAC members responded to the 2020 survey (table 1). Eighteen members apply fixed coefficients to activity amounts linked to the Rio markers values, showing this practice is widespread. Three members (Finland, Japan and the UK) use an activity-level approach.

7. For members that use **fixed coefficients**, key findings are as follows:

- **Activities scored as principal** with a Rio marker are in most cases associated with a 100% coefficient when reporting to the UNFCCC and CBD. The only exception is Switzerland, which uses a coefficient of 85% when reporting to the UNFCCC (but 100% when reporting to the CBD).
- **Activities scored as significant** with a Rio marker are associated with a much wider range of fixed coefficients. In most cases, members apply a fixed coefficient between 30% and 50% to these activities, but several members apply a fixed coefficient of 100%: Australia (for biodiversity only), Czech Republic and Poland (for climate change only), Iceland and Slovenia (for both climate change and biodiversity).
- **Cross-cutting activities** are activities that are scored both for climate change adaptation and mitigation, either both as significant or one as principal and the other significant (less frequently both as principal). The fixed coefficients applied to cross-cutting activities closely follow the fixed coefficients applied to other activities with principal and significant scores by each member.

[6] Reporting on Rio markers is mandatory for ODA operations of DAC members.

[7] See: DCD/DAC/STAT/M(2018)2, item 13.b

[8] See: oe.cd/RioSurvey2018

Table 1 - Summary results of the 2020 Rio markers coefficient survey, on 2017-18 data.

Bilateral provider	Reporting Method	Measurement Basis	Climate Adaptation		Climate Mitigation		Crosscutting Climate (one principal and one significant scores / two significant scores)	Biodiversity	
			Principal	Significant	Principal	Significant		Principal	Significant
Australia	Aggregated	Disbursement	100%	30%[a]	100%	30%[a]		100%	100%
Austria	Aggregated	Commitment	100%	50%	100%	50%		100%	50%
Canada	Aggregated	Disbursement	100%	30%	100%	30%	100% / 30%	100%	50%
Czech Republic	Aggregated	Commitment	100%	100%	100%	100%	100%	(n.a.)	(n.a.)
Denmark	Aggregated	Disbursement	100%	50%	100%	50%	100% / 50%	100%	50%
EU	Aggregated	Commitment	100%	40%	100%	40%	100% / 40%	100%	40%
Finland	Activity-level	Disbursement							
Germany	Aggregated	(n.a.)	100%	50%	100%	50%	100%	100%	20%
Greece	Aggregated	Disbursement	100%	40%	100%	40%	100% / 40%	100%	40%
Iceland	Aggregated	Disbursement	100%	100%	100%	100%	100%	100%	100%
Italy	Aggregated	Commitment	100%	40%	100%	40%	100% / 40%	100%	40%
Japan	Activity-level	Commitment							
Netherlands	Aggregated	Commitment	100%	40%	100%	40%	100% / 40%		
Norway	Aggregated	Disbursement	100%	40%	100%	40%	100% / 40%	100%	100%
Poland	Aggregated	Disbursement	100%	100%	100%	100%	100%	100%	40%
Portugal	Aggregated	Commitment	100%	(n.a.)	100%	(n.a.)	(n.a.)	100%	(n.a.)
Slovenia	Aggregated	Disbursement	100%	100%	100%	100%	100%	100%	100%
Spain	Aggregated	Commitment	100%	50%	100%	50%	100%	100%	40%
Sweden	Aggregated	Disbursement	100%	40%	100%	40%	100% / 40%	100%	40%
Switzerland	Aggregated	Disbursement	85%	50%	85%	50%	85% / 50%	100%	40%
UK	Activity-level	Other							

(n.a.) not available
a) Unless a specific dollar value can be calculated.
b) A portion of multilateral assistance could also included (e.g. GEF).

8. Due to the increased flexibility afforded by the **activity-level approach**, members reported a wider range of coefficient application methods.

- **Finland** applies a wide range of coefficients to the activities reported to the UNFCCC and CBD, varying from 2% to 100%. No broad patterns were identified when comparing Rio marker values with the coefficients reported to the UNFCCC and CBD. For example, for activities scored principal for climate change mitigation, coefficients range between 50% and 100%, while for activities scored principal for adaptation or biodiversity, a wider range of coefficients is applied. Almost all activities with a biodiversity Rio marker are reported to the CBD and around three-fifths of the activities[9] with a climate Rio marker are reported to the UNFCCC.
- **Japan** either applies a coefficient of 100% or 0% to activities with reported Rio markers. In other words, an activity marked principal or significant for climate change or biodiversity has either the full amount reported to the UNFCCC or the CBD, or it is not reported at all to the UNFCCC or the CBD. Almost all activities with a biodiversity Rio marker are reported to the CBD and around two-thirds of the activities with a climate Rio marker are reported to the UNFCCC[10].
- The **United Kingdom** also applies a wide range of coefficients to the activities reported to the UNFCCC and CBD, varying from 5% to 100%. In most cases, activities marked with a principal score for climate change mitigation or adaptation have coefficients from 85% to 100%, although several exceptions exist. Activities marked significant for climate change are associated with coefficients from 5% to 100%. The range of coefficients associated with Rio marker scores for biodiversity are similar, although a larger share of activities marked principal for biodiversity have a coefficient lower than 85%. Around one-third of activities with a Rio marker are reported to the UNFCCC and a bit less than half to the CBD[11].

9. Eleven members use disbursement amounts as a measurement basis, while eight use commitment amounts. Two members did not provide this information in their survey response.

Comparison with the 2018 survey

10. The 2020 survey showed both similarities and differences with the 2018 survey (table 2), as listed below:

- The participation in the survey increased from eleven to twenty-one members.
- Some members provided additional detail, for example information on their reporting to both Conventions rather than one.
- In the 2018 survey Japan had been incorrectly described as always applying a coefficient of 100%. The 2020 survey presents Japan's approach more accurately.
- Members that had responded to the 2018 survey maintained the same coefficients in 2020.

[9] The share is based on the number of activities

[10] As above

[11] As above

Table 2 - Results of the 2018 Rio marker coefficients survey, on 2015-16 data, as published in 2019

DAC member reporting to the 15/16 survey	Methodology for reporting to the survey	"Crosscutting"			Climate Adaptation		Climate Mitigation		Biodiversity	
		One Significant and One Principal	Two Principals	Two Significants	Principal	Significant	Principal	Significant	Principal	Significant
Austria	Aggregated reporting	100%	100%	50%	100%	50%	100%	50%	100%	50%
Denmark	Aggregated reporting	100%	100%	50%	100%	50%	100%	50%	100%	50%
Germany	Aggregated reporting	.	.	.	100%	50%	100%	50%	100%	.
Italy[1]	Activity-level reporting	100%	100%	40%	100%	40%	100%	40%	100%	40%
	Aggregated reporting	100%	100%	40%	100%	40%	100%	40%	100%	40%
Japan	Activity-level reporting	100%	100%	100%	100%	100%	100%	100%	100%	100%
Norway	Aggregated reporting	100%	100%	40%	100%	40%	100%	40%	100%	100%
Poland	Aggregated reporting	.	.	.	100%	100%	100%	100%	100%	40%
Portugal	Aggregated reporting	.	.	.	100%	.	100%	.	100%	.
Slovenia	Aggregated reporting	.	.	.	100%	100%	100%	100%	.	.
Spain	Aggregated reporting	.	.	.	100%	50%	100%	50%	.	.
United Kingdom	Activity-level reporting	Determined at individual activity level[2]								

Note: The share of 100% attributed to Japan in 2018 was misleading, as this share had not been applied to all activities.

Next steps

11. The 2020 survey on Rio marker coefficients shows that the marker data reported to the OECD DAC on climate change mitigation, adaptation and biodiversity and the financial data reported to the UNFCCC and the CBD are related. In response to growing interest from the climate community and other stakeholders in this survey, member participation almost doubled in 2020, from 11 to 21 respondents.

12. The Secretariat sees the survey as an important tool to increase the transparency of the methods members apply for calculating the financial amounts they report to the two Conventions, and considers its repetition every two years useful. The next survey, to be carried out in 2022, could have an expanded scope and also cover the Convention to Combat Desertification. **Members' comments are invited.**