QUICK TIPS

ACTIVITIES THAT QUALIFY FOR RIO MARKERS IN AGRICULTURE AND FOOD SYSTEMS

The NDICI Global Europe Regulation established a target to dedicate at least 30% of the EU budget to support climate objectives in the period 2021-2027. It also specifies that the NDICI Global Europe will contribute to the ambition of providing 7.5% of annual spending in 2024 and 10% in 2026 and 2027 towards biodiversity objectives.

The President of the European Commission, in her 2021 State of the Union speech, pledged an additional four billion euro towards climate goals. A pledge was also made to double the EU's external funding for biodiversity, compared to 2014-2020, in particular for the most vulnerable countries.

These renewed targets significantly raise the EU ambition on climate and biodiversity finance to partner countries, reflecting the urgency called upon by the scientific community to address the climate and biodiversity crises and the ambition of the European Green Deal.

Four 'Rio markers' were developed by the OECD Development Assistance Committee (DAC) to identify the contribution of actions to the objectives of UN Rio Conventions (two markers related to the Framework Convention on Climate Change, one to the Convention on Biological Diversity and one to the Convention to Combat Desertification and Land Degradation). The Rio markers are used by DG INTPA to keep track of financial contributions to the Rio themes. In line with a methodology adopted by the OECD DAC, there are three possible scores (0, 1 and 2) for Rio markers. DG INTPA assesses that a certain percentage of an action's budget can be considered to contribute to a Rio theme, based on the score of the corresponding Rio marker, as follows:

if Biodiversity, Desertification or Climate Change

IS NOT TARGETED	RM=0	0% BUDGET
IS A SIGNIFICANT OBJECTIVE	RM=1	40% BUDGET
IS A PRINCIPAL OBJECTIVE	RM=2	100% BUDGET

The scoring must be carried out in accordance with the corresponding OECD DAC directives.[1]

An activity can be marked as "principal" when the objective (biodiversity, combating desertification, climate change mitigation, climate change adaptation) is explicitly stated as fundamental in the design of, or the motivation for, the activity. To be marked "significant", the objective must be explicitly stated but is not a fundamental driver or motivation for undertaking and designing the activity.

[1] OECD DAC (2018) Converged Statistical Reporting Directives for the Creditor Reporting System (CRS) and the Annual DAC Questionnaire. Annexes – modules D and E (Annex 18 – Rio markers). DCD/DAC/STAT(2018)9/ADD2/FINAL.

Biodiversity

An activity should be classified as biodiversity-related if it promotes at least one of the three objectives of the Convention on Biological Diversity: (1) the conservation of biodiversity; (2) sustainable use of its components (ecosystems, species or genetic resources); or (3) fair and equitable sharing of the benefits of the utilisation of genetic resources.

Eligibility criteria are as follows:

The activity contributes to:
a) Protection or enhancement of ecosystems, species or genetic resources through in-situ or ex-situ conservation, or remedying existing environmental damage; **or**
b) Integration of biodiversity and ecosystem services concerns within recipient countries' development objectives and economic decision-making, 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 be scored '**principal objective**' (i.e. RM2) if it directly and explicitly aims to achieve one or more of the above three criteria.

Typical activities in Sustainable Food Production sector that can qualify for the Biodiversity Rio marker[2] include:

- Agriculture activities (DAC Code 311) are inherently linked to biodiversity conservation, sustainable use of its components and utilisation of genetic resources. Activities in this category can have either a positive or negative effect on biodiversity (e.g. sustainable agriculture vs large monocultures) and can be scored against the biodiversity marker only if their principal or significant objective is to contribute to the above-mentioned goals.
    - Strengthening biodiversity protection and sustainable production practices by creating strategic seeds reserves (RM2)
    - Promoting sustainable harvesting and farming of medicinal plants and protecting local biodiversity (RM2)
    - Capacity building and regional collaboration for enhancing conservation and sustainable use of plant genetic resources (RM2)
    - The project aims at increased food security, preservation of biodiversity and increasing the income of small-scale farmers by focusing on organic agricultural production (RM1)
    - Integrated management of Rice Yellow Mottle Virus (RYMV) in lowland ecosystems (RM1)
- Projects in the fishery sector (DAC Code 313) will qualify against biodiversity if they promote a sustainable use of the resource, applying ecosystem-based approaches. Projects to avoid overfishing, and recovery plans and measures for depleted species will also qualify. Sustainability of fisheries entails that they have no significant adverse impacts on threatened species and vulnerable ecosystems and the impacts of fisheries on stocks, species and ecosystems are within safe ecological limits.
    - The activity aims to promote conservation and protection of marine biodiversity through implementation of coastal resource management approaches (RM2)
    - Institutional support for dissemination of best practices to protect biodiversity in small scale fishery and aquaculture (RM2)
    - Integration of biological diversity concerns into promotion of sustainable marine, coastal and inland fishing (RM1)
- Food aid and food security programmes (DAC Code 520) can include biodiversity components, particularly when dealing with access and improvement of subsistence agriculture, most likely with score RM1.
    - Improving food security and access to clean water through the defence, growth and enhancement of biodiversity (RM2)
    - Increasing and improving food security and poverty reduction in Africa by adapting climate-smart agricultural technologies and strengthening the implementation of relevant national policies and programmes (RM1).

[2] OECD (2019). Indicative Table for the Rio marker for Biodiversity. DCD/DAC/STAT(2018)26/final.

- Forestry projects (DAC Code 312) include activities such as forest management, reforestation and rehabilitation of forestry, forestry policies, research and education activities that are likely to include biodiversity concerns as their principal or significant objective. Some activities (such as monocrop commercial afforestation) might have a negative impact on biodiversity and, therefore, the marker shall be awarded on a case-by-case basis.
    - Conservation and rehabilitation of peatland/forest (RM2)
    - The project objective reflects conservation of environment through participation of local communities in commercial forestry management measures. The purpose is to promote tree planting awareness and reforestation (RM2)
    - Facilitating reforms to address the governance, policy and market failures that cause and sustain illegal logging and associated trade (RM1)
    - International conferences to enhance readiness on climate change response in the forestry sector and promote capacity building at the regional level (RM1)

General environmental protection activities (DAC Code 410) include environmental policy and administrative management, protection of terrestrial and marine areas, research and education. These activities are likely to have a positive impact on biodiversity and to address the objectives of the CBD. They can be marked for biodiversity as a principal or significant objective after a case-by-case evaluation.

Combating Desertification

An activity should be classified as desertification-related 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.

Eligibility criteria are as follows:

The activity contributes to:
a) Protecting or enhancing dryland ecosystems or remedying existing environmental damage; **or**
b) Integrating desertification concerns in 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 United Nations Convention to Combat Desertification.

The activity will be scored '**principal objective**' (i.e. RM2) if it directly and explicitly aims to achieve one or more of the above criteria, including in the context of the realisation of national, sub-regional or regional action programmes.

Typical activities in Sustainable Food Production sector that can qualify for the Desertification Rio marker include:

- Integration of actions 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
- Promoting sustainable forest management and adopting harvesting techniques that reduce soil erosion and exposure to wildfires, and promote the conservation of biodiversity in order to safeguard forest ecosystems from the impacts of climate change
- Promoting measures and farming practices that promote soil conservation, including agroforestry, terracing, conservation agriculture
- Sustainable irrigation for both crops and livestock to reduce pressure on threatened land; alternative livelihood projects
- Promoting livestock management measures to address overgrazing; recovery of degraded grazing lands
- Promoting heat and drought resistant crops and water saving irrigation methods
- 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 land management and planning that includes desertification monitoring and assessment; education, training and public awareness programmes related to desertification and land degradation
- Agricultural research for development that includes research on desertification and land degradation
- 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

Climate Change Mitigation

An activity should be classified as climate change mitigation-related if it contributes to the objective of stabilising green-house 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 enhance GHG sequestration.

Eligibility criteria are the following:

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 United Nations Framework Convention on Climate Change.

The activity will be scored '**principal objective**' (i.e. RM2) if it directly and explicitly aims to achieve one or more of the above four criteria.

See below the table with examples of activities that qualify for a climate change mitigation marker.

Climate Change Adaptation

An activity should be classified as climate change adaptation-related if it intends to reduce the vulnerability of human or natural systems to the current and expected impacts of climate change, including climate variability, by maintaining or increasing resilience, through increased ability to adapt to, or absorb, climate change stresses, shocks and variability and/or by helping reduce exposure to them.

This encompasses a range of activities from information and knowledge generation to capacity development, planning and the implementation of climate change adaptation actions.

Eligibility criteria are the following:

An activity is eligible for the climate change adaptation marker if:

a) The climate change adaptation objective is explicitly indicated in the activity documentation; and

b) The activity contains specific measures targeting the definition above.

To guide scoring, a three-step approach is recommended as a 'best practice', in particular to justify a Rio Marker 2 score:

- **Setting out the context of risks, vulnerabilities and impacts related to climate variability and climate change:** for a project to be considered as one that contributed to adaptation to climate change, the context of climate vulnerability should be set out clearly using a robust evidence base. This could take a variety of forms, including use of material from existing analyses and reports, or original, bespoke climate vulnerability assessment analysis carried out as part of the preparation of a project.

- **Stating the intent to address the identified risks, vulnerabilities and impacts in project documenta-tion:** the project should set out how it intends to address the context- and location-specific climate change vulner-abilities, as set out in existing analyses, reports or the project's climate vulnerability assessment.
- **Demonstrating a clear and direct link between the identified risks, vulnerabilities and impacts and the specific project activities:** the project should explicitly address risk and vulnerabilities under current and future climate change as identified in the project documentation.

See below the table with examples of activities that qualify for a climate change adaptation marker.[3]

311 — FOOD AND AGRICULTURE

SUB-SECTOR/ CRS PURPOSE CODE	MITIGATION	ADAPTATION
311 **Agriculture**	**0, 1 or 2**	**1, 2 or 0**

SUB-SECTOR/ CRS PURPOSE CODE	EXAMPLES OF QUALIFYING ACTIVITIES
Mitigation Scoring against mitigation may be justified when farming methods decrease GHG emissions or increase carbon sequestration **Adaptation** Agricultural development measures can, in many ways, increase resilience to the impacts of climate change, through the use of climate-resilient crops or diversifying production to be able to better cope with the impacts of climate change.	**Mitigation** ▸ Livestock projects that reduce methane or other GHG emissions (manure management with biodigesters, etc.) (mitigation score 1). ▸ Increase and maintenance of the CO2-binding capacity of soil and vegetation (mitigation score 1). ▸ Use of energy saving machineries, design of eco-efficient, carbon neutral systems etc. (mitigation score 2). **Adaptation** ▸ Sustainable climate-resilient farming methods (adaptation score 2). ▸ Promoting diversified agricultural production to reduce climate risk (e.g. growing a mix of different crops and different varieties of each crop) (adaptation score 1 or 2). ▸ Promoting heat and drought resistant crops and water saving irrigation methods to withstand climate change (adaptation score 2). ▸ Cultivate and distribute climate-resilient seeds (adaptation score 2). ▸ Set up/use of early warning communications system for agricultural purposes (e.g. communications/IT solutions for monitoring crops, precipitation, temperature etc. to avoid crop loss through climate-related stress or disaster) (adaptation score 1 or 2).

[3] OECD DAC Rio Markers for Climate Handbook

SUB-SECTOR/ CRS PURPOSE CODE
312
Forestry

MITIGATION
2, 1 or 0

ADAPTATION
0, 1 or 2

SUB-SECTOR/ CRS PURPOSE CODE

Mitigation
In the case of a monocrop forest plantation with important economic and social benefits, scoring against mitigation will depend on how the trees grown are utilised after they are cut. If they are used for energy production (i.e. turned into charcoal for fuel) there are no net carbon sequestration benefits (mitigation score 0), unless cleared areas are systematically replanted (mitigation score 1 for sustainable biomass production, or even 2 if sustainably managed wood fuel plantations demonstrably reduce pressure on natural forests).

Adaptation
Improved forest management and reforestation/afforestation can enhance adaptation capacities. Specific activities that fulfil the eligibility requirements can score against the adaptation markers.

Mitigation and adaptation
There are various mitigation and adaptation effects for forestry/ afforestation measures which usually result in a combination of both climate markers (but scoring both mitigation and adaptation as a principal objective should remain exceptional).
Since forest has a particularly important role in CO2 storage, there is usually more emphasis on GHG reduction for these activities, but they can support adaptation (e.g. resilient forest-based livelihoods, reduced soil erosion).

EXAMPLES OF QUALIFYING ACTIVITIES

Mitigation
- Protection and enhancement of sinks and reservoirs of GHGs through sustainable forest management, afforestation and reforestation (mitigation score 2), rehabilitation of areas affected by drought and desertification. (mitigation score 1 or 2 if main objective).

Adaptation
- Restoration of former forest areas utilising natural seed banks and existing plants, in order to reduce vulnerability of forest ecosystems to the impacts of climate change (adaptation score 2).
- Promoting sustainable forest management and adopting harvesting techniques that reduce soil erosion and exposure to wildfires, and promote the conservation of biodiversity in order to safeguard forest ecosystems from the impacts of climate change (adaptation score 2).
- Afforestation in a river basin can contribute to a more stable hydrologic regime and to reduce floods (adaptation score 2 or 1).

SUB-SECTOR/ CRS PURPOSE CODE
313
Fisheries

MITIGATION
0 or 1

ADAPTATION
0, 1 or 2

SUB-SECTOR/ CRS PURPOSE CODE

Mitigation
A score of 1 can be justified if the activity scored has a clear mitigation objective to reduce GHG emissions.

Adaptation
Fishing is a critical sector for many economies, including small island states. If the objective is to improve the conditions of the sector by increasing its resilience to climate change it can be marked as adaptation 1 or 2, if properly justified and the information regarding the context of vulnerability is available.

EXAMPLES OF QUALIFYING ACTIVITIES

Mitigation
- A project that supports the use of more fuel-efficient boats, made with innovative material and hull shape, and equipped with more efficient engines and storage capacity to reduce the consumption of fuel can score 1 in mitigation.

Adaptation
- Promoting changes in fishing practices to adapt to changes in stocks and target species. Introducing flexibility in the gear that is used, the species that are fished, the fishing areas to be managed, and the allocations that are harvested (adaptation score 1).
- Mapping changes in the range of fish species and strengthening the monitoring of fish stocks to determine the impacts of climate change (adaptation score 2).

Mitigation and adaptation
- Activities that aim at reducing overfishing and excess capacity, including adjusting fleet composition, by supporting small-scale fisheries and discouraging industrial fisheries, especially in countries where fish stocks have been fully or partially overexploited, can score both for adaptation and mitigation marker. Such measures would reduce fuel use as a result of the reduction in the number of vessels at sea and increase the catch per unit effort (CPUE) (mitigation score 1).

SUB-SECTOR/ CRS PURPOSE CODE

41020 - 41030
Biosphere protection - Biodiversity

MITIGATION
1, 2 or 0

ADAPTATION
1, 2 or 0

RATIONALE FOR SCORING

There are various mitigation and adaptation effects for this topic which usually result in a combination of both climate markers (but scoring both mitigation and adaptation as a principal objective should remain exceptional).

EXAMPLES OF QUALIFYING ACTIVITIES

Mitigation

- Preservation of the CO2 storage capacity of vegetation cover (especially forests) and soil (especially wetlands) (mitigation score 1 or 2).
- 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 (mitigation score 1 or 2).

Adaptation

- Contribution to the preservation of water resources or erosion prevention to adapt to the effects of climate change (adaptation score 1).
- Climate resilient conservation measures allowing species to adapt to climate change (e.g., protected eco-corridors for migration) (adaptation score 2).
- Ecosystem based adaptation, i.e. the use of ecosystems or ecosystem services to help people to adapt to climate change (e.g. wetland restoration and management to enhance continuity of drinking water supply in drought prone areas) (adaptation score 2).
- Dedicated budget support to a national or local authorities for climate change adaptation policy implementation (adaptation score 2).

SUB-SECTOR/ CRS PURPOSE CODE

41050
Flood prevention/control

MITIGATION
0 or 1

ADAPTATION
2 or 1

RATIONALE FOR SCORING

Mitigation
In specific cases where flood prevention and control measures include GHG emission reductions, the activity could score 1 for mitigation if properly justified.

Adaptation
Flood and coastal protection, as well as drainage measures often directly relate to the impacts of climate change (adaptation score 2). For measures not primarily employed for adaptation to the impacts of climate change, or measures that are only part of larger measures, adaptation score 1 is appropriate.

EXAMPLES OF QUALIFYING ACTIVITIES

Mitigation

- Flood protection measures that reduce the consumption of energy and reduce GHG emissions (mitigation score 1).

Adaptation

- Flood protection measures in areas which are becoming increasingly flood-sensitive (e.g. closing of estuaries, building of dikes and sea defences, restoration of wetlands) – with due consideration for the potential environmental impacts of such measures (adaptation score 2 or 1).
- Restoring the function of floodplains in combination with sound land-use planning of watersheds and wetlands thereby reducing the exposure to floods and improving water availability in areas affected by increasing water scarcity and/or more variable rainfall patterns (including higher amounts of rain) (adaptation score 2).

SUB-SECTOR/ CRS PURPOSE CODE
43040
Rural development

MITIGATION
1 or 0

ADAPTATION
1, 0 or 2

RATIONALE FOR SCORING

Mitigation
A rural development project can score 1 against the mitigation marker if there are measures put into place to reduce the emissions of GHG.

Adaptation
Activities that include measures to increase resilience of population or ecosystems in rural areas to climate change can score 1 if properly justified, taking into account the context of vulnerability.

Mitigation and adaptation
Regional development planning, land use issues, land management, and many additional aspects of rural development offer a variety of approaches to integrate GHG mitigation and climate change adaptation.
For land use and land management measures, especially protection of forest or wetlands, mitigation may be of primary significance (mitigation score 1 or 2 while adaptation may score 0).

EXAMPLES OF QUALIFYING ACTIVITIES

Mitigation

- Securing land and use rights in order to avoid changes in land use that could lead to increased emissions of GHG, contribution to sustainable long-term land-use planning, reducing emissions from land use and changes in land use (mitigation score 1.

Adaptation

- Sustainable agriculture for adaptation to climate change in vulnerable regions, sustainable regional development in rural drought areas (adaptation score 2).

SUB-SECTOR/ CRS PURPOSE CODE
52010
Food aid/food security programmes

MITIGATION
0

ADAPTATION
0, 1 or 2

RATIONALE FOR SCORING

Adaptation
Activities in the area of food security can be scored against the adaptation marker if the objectives of the project explicitly include the building of climate resilience in food production.

EXAMPLES OF QUALIFYING ACTIVITIES

Adaptation

- A programme addressing food insecurity which also builds capacity to cope with the impacts of climate change on food production could be marked as “significant” (adaptation score 1).