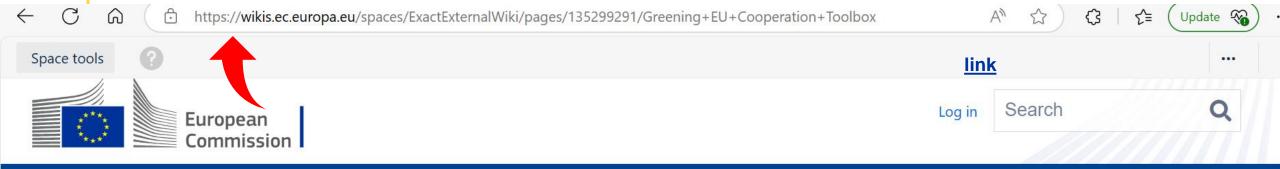


Greening EU Cooperation Toolbox

A toolbox to deliver on our environmental and climate objectives under the Global Gateway

Webinar 2: Spending Targets and Rio Markers



European Commission / EXACT - EU External Action Wiki

Greening EU Cooperation Toolbox

- Applicants
- Implementing Partners
- Economic Operators, Contractors and Experts
- > Systems
- Contracts and Procurements
- > eCompanion
- > ePRAG
- > Intervention Cycle Management



Climate and biodiversity spending targets





Climate target (NDICI – Global Europe)

Total NDICI-GE budget: € 79,5 bn



For geographic budget line: 42%





Climate target (IPA III)



18% increasing to 20% by 2027 IPA III Regulation (€2,55 – €2.83 bn)





Biodiversity target (NDICI – Global Europe and IPA III)





7.5% (in 2024) 10% (in 2026 and 2027) (MFF) Doubling Biodiversity External Funding (vs 2014 – 2020 baseline) (SOTEU pledge) € 7 billion over 2021-27





Biodiversity target – expected contributions (unofficial)



For NDICI, complemented by the contribution from the thematic and rapid response pillars of NDICI-GE





Targets – Ukraine Facility and Reform & Growth Facility for the Western Balkans

Ukraine Facility

No specific climate and biodiversity targets

20% to climate change mitigation + climate change adaptation + environmental protection (incl. biodiversity) + green transition

Reform & Growth Facility for the WB

Contribute to 30% climate objectives

37% to climate objectives through the WBIF

Contribute to 7.5% (by 2024) and 10% (in 2026-27) biodiversity objectives



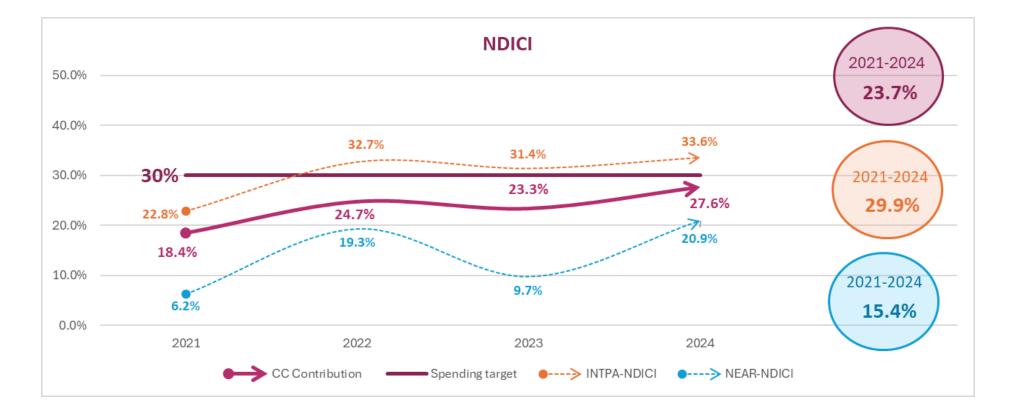


Progress to date – Climate Change contribution





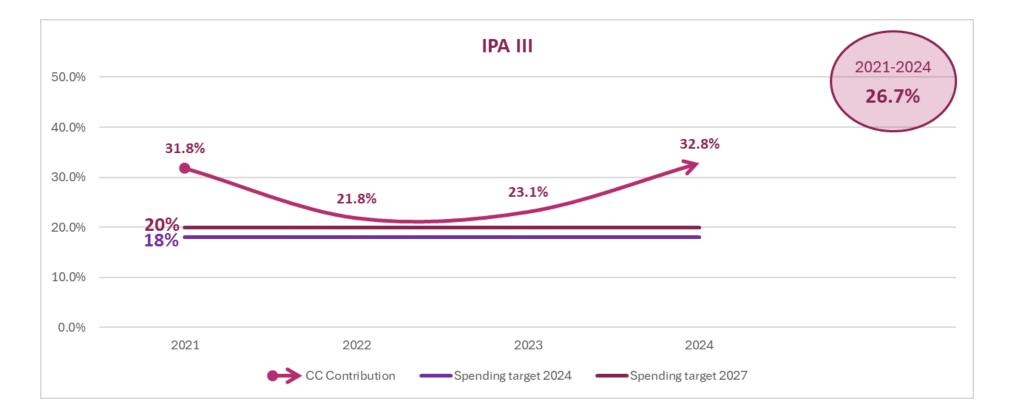
CC contributions 2021-2024 vs targets







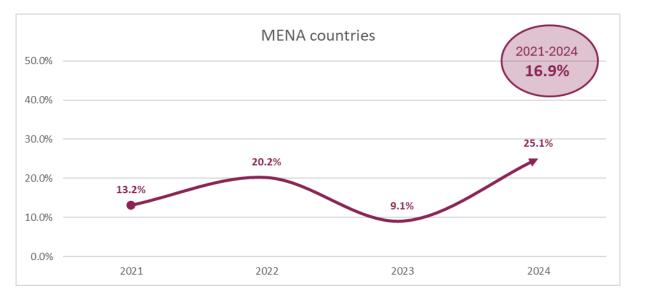
CC contributions 2021-2024 vs targets







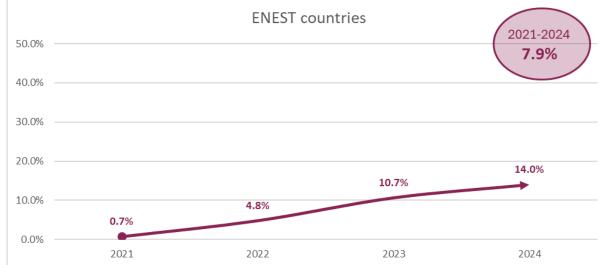
CC contributions 2021-2024 (provisional) MENA & ENEST countries



MENA

- NDICI actions, all DGs
- filtered by countries + North Africa, regional
- regional actions encoded as unspecified developing countries are not included



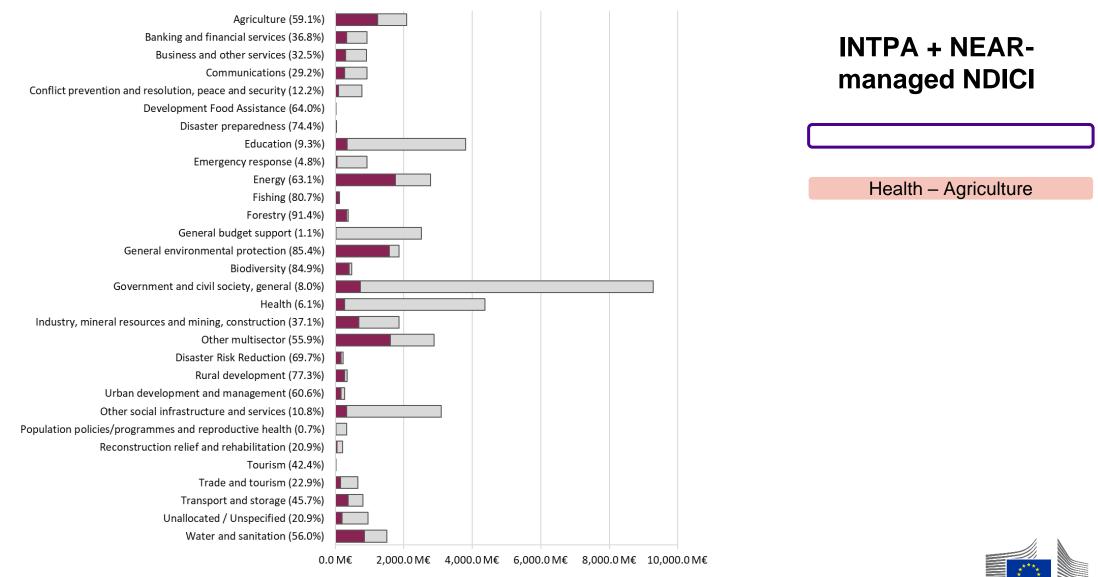


ENEST

- NDICI actions, all DGs
- filtered by regions (WB & Türkiye, ENP East, Regional Europe)
- regional actions encoded as unspecified developing countries are not included



CC contributions 2021-2024 – by Sectors

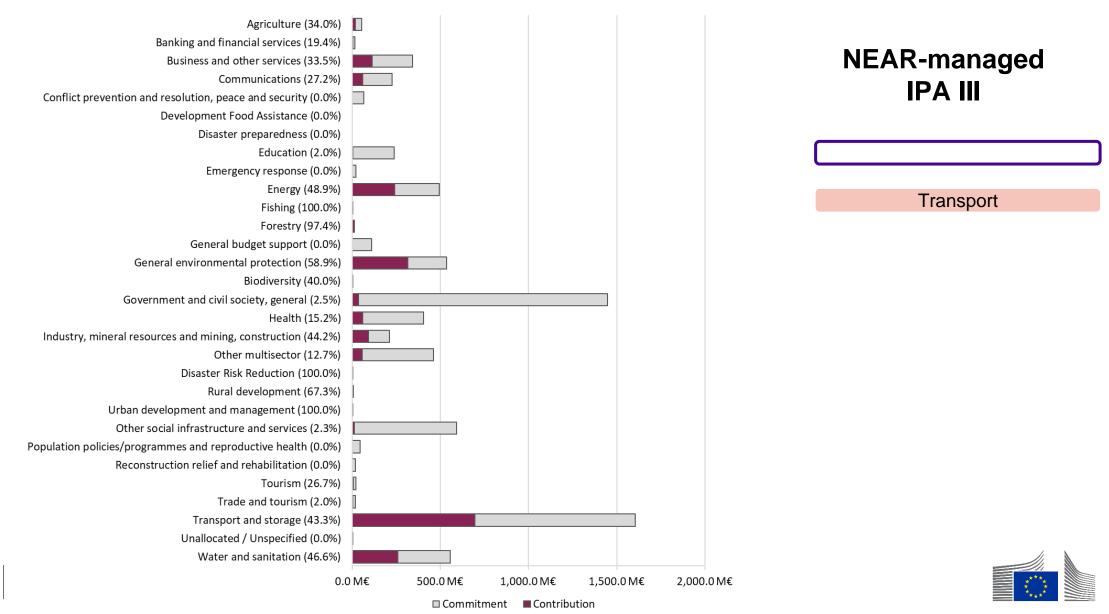




Commitment Contribution

Contribution to the marker in the relation to the commitment per sector

CC contributions 2021-2024 – by Sectors



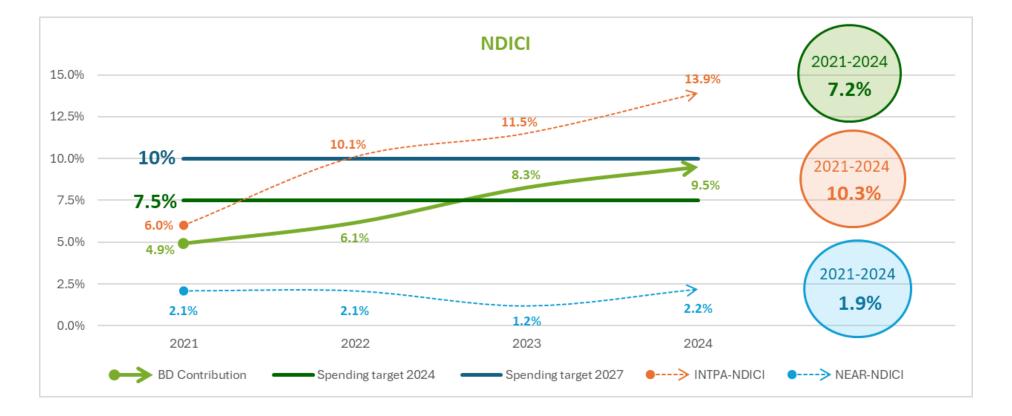


Progress to date – Biodiversity contribution





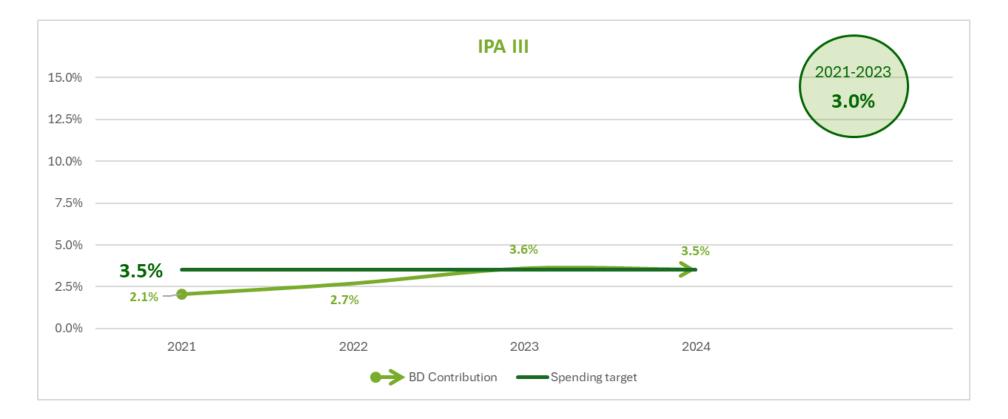
BD Contributions 2021-2024 vs targets







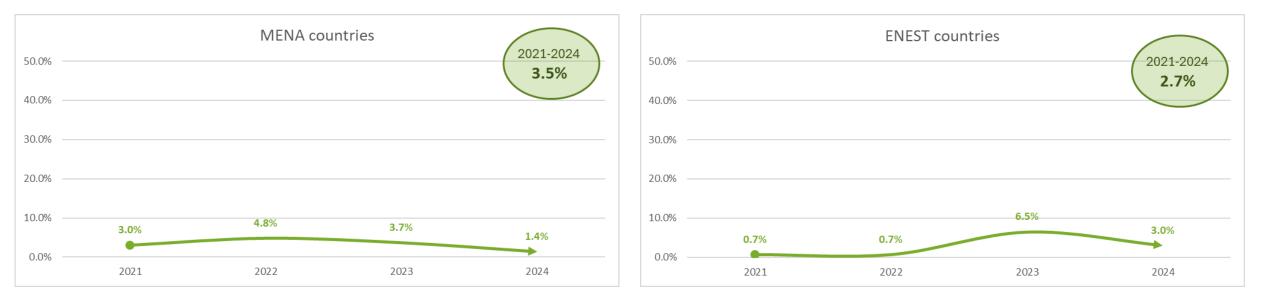
BD contributions 2021-2024 vs benchmark







BD contributions 2021-2024 (provisional) MENA & ENEST countries



MENA countries

- NDICI actions, all DGs
- filtered by countries + North Africa, regional
- regional actions encoded as unspecified developing countries are not included

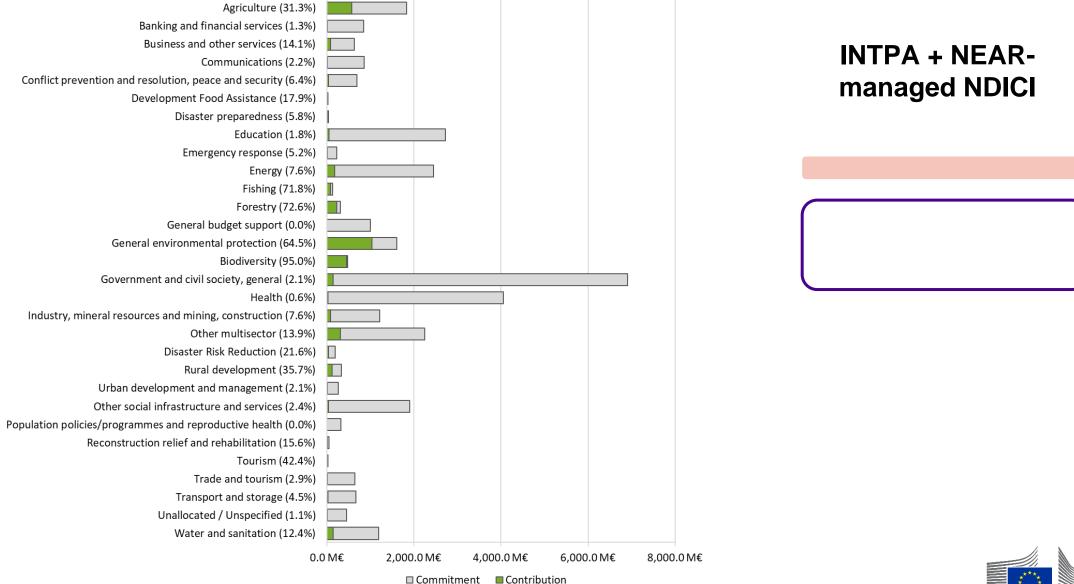
ENEST countries

- NDICI actions, all DGs
- filtered by regions (WB & Türkiye, ENP East, Regional Europe)
- regional actions encoded as unspecified developing countries are not included





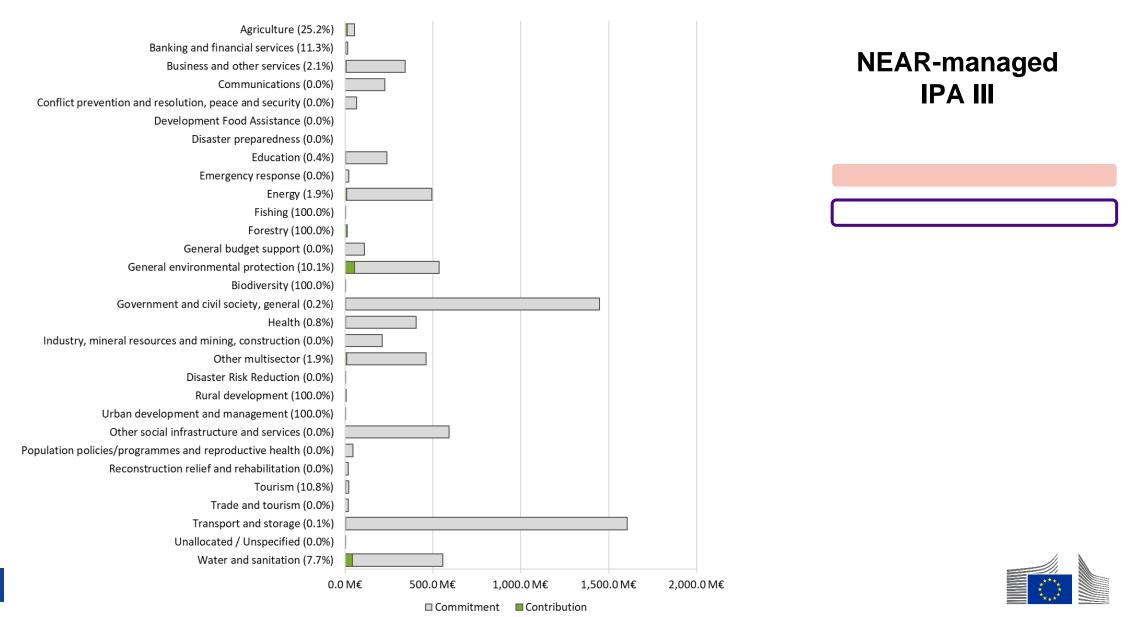
BD contributions 2021-2024 – by Sectors





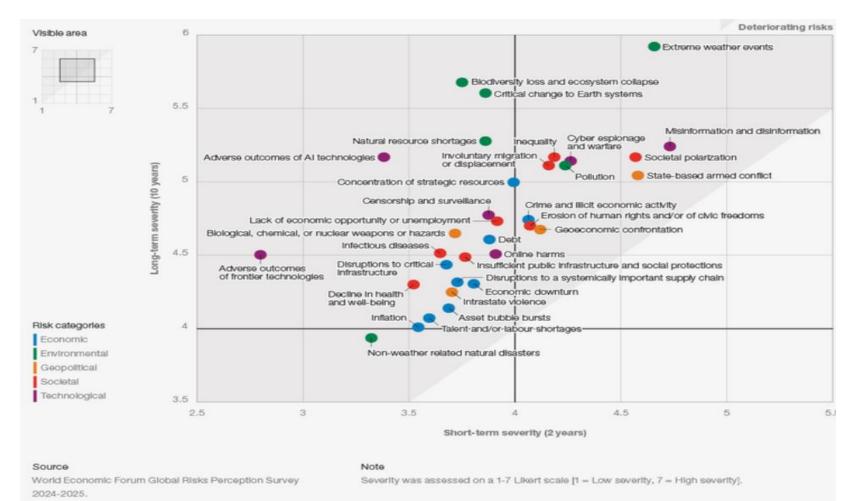
Contribution to the marker in the relation to the commitment per sector

BD contributions 2021-2024 – by Sectors





World Economic Forum – Global Risks Report 2025







Always see things from a green perspective

The Green Lens Approach



Positive agenda

Seek opportunities to contribute to environment and climate objectives and targets





Do no harm

Avoid and minimise impacts on the environment and climate



Environment & Climate Risk Management

Address risks from environmental degradation and climate change to the action





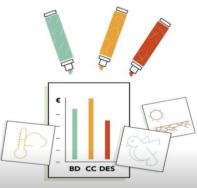
Rio markers





What are Rio markers?

Created by the OECD DAC to keep track of development aid to implementation of the Rio Conventions (on biodiversity, combating desertification and climate change)





DCD/DAC(2024)40/ADD2/FINAL

Unclassified	English text only
DEVELOPMENT CO-OPERATION DIRECTORATE	20 January 2025
DEVELOPMENT ASSISTANCE COMMITTEE	

Cancels & replaces the same document of 4 September 2024

Converged Statistical Reporting Directives for the Creditor Reporting System (CRS) and the Annual DAC Questionnaire

Annexes – modules D and E





Possible scores

"Principal" objective (RM2)

(Rio) objective is **fundamental** to the design/ motivation of the action, i.e. *one of the principal reasons for undertaking the action*

*Note: there can be more than one Principal Objective for an action

"Significant" objective (RM1)

Rio theme is not the main motivation, but the action helps meet environmental/Rio concerns. Still, the (Rio) objective must be explicitly stated

Not targeted (RM0)

Avoiding adverse impact does not justify a marker

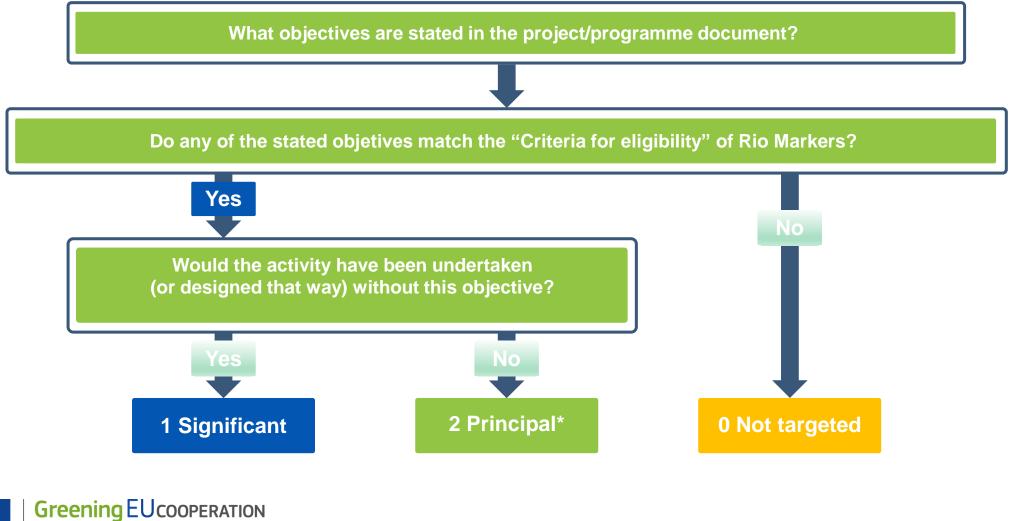






Decision tree for scoring an activity

Integrating environment & climate change





What is required to secure a Rio marker?

"To facilitate transparency and in light of public scrutiny of the Rio marker data, it is important that (...) the **relation between the activity and the objective** (e.g. climate change mitigation, climate change adaptation, other) is **clearly communicated and made explicit**"

OECD DAC guidance





Translating marker scores into financial contributions





At what level are contributions measured?

Contributions are measured at the level of commitments for purposes of reporting to the OECD DAC



Level 2: Contracts

Level 3: Payments









by EC convention



Other considerations

- The Rio markers are not mutually exclusive
- General Budget Support (A01) and Development Awareness (H01) actions <u>cannot</u> be Rio marked
- GBS (A01) contributions are reported internally based on the targeted SDGs (principal SDG = 100%; significant SDG = 40%)
- Administrative expenditure transactions are excluded
- Transition to DG BUDG coefficients as of next MFF to coexist with Rio markers





Rio markings and investments



- For purposes of calculating EU contributions, marker scores of corresponding Action Documents (i.e. contributions to investment facilities, EFSD+ CPF provisioning) are used
- The lead FI does its own scoring at the project level, normally using a more granular approach
- Adjustments to EFSD+ provisioning done based on granular assessment (completed for ENEST/MENA, pending for INTPA and UIF)





Quality Control entry points

- Continual checks Greening Facility validates markers as part of action design, also pre-TAM in case of investments
- Control of claims to contributions made in MIPs, AAPs and Action Documents
- Annual quality review based on R2 extraction







Guidance and support





Quick Tips for the integration of environment and climate change (by sector)

Include an annex on indicative activities that qualify for a marker in different sectors

Currently available for:

- Agriculture & Food Systems ٠
- Digitalisation ٠
- **Disaster Risk Reduction** •
- Education ٠
- Energy ٠
- Health
- Migration ٠



- Peace and security (upcoming)
- Private sector development / Trade
- Social protection
- Sustainable Infrastructure
- Transport & Mobility
- Urban development
- Water Resources Management
- Water & Sanitation



ACTIVITIES THAT OUALIFY FOR RIO MARKERS IN THE SUSTAINABLE TRANSPORT AND MOBILITY SECTOR

The EU has committed to spend at least 20 % of its bud- (two markers related to the Frame get for 2014-2020 on climate related actions. As regards mate Change, one to the Convention on Biological Diver biodiversity in 2012 the Union endorsed the Hyderabad sity and one to the Convention to Combat De objective to 'double total biodiversity-related international and Land Degradation). The Rio markers are used by DG financial resource flows to developing countries' by 2015 DEVC0 to keep track of financial contributions to the Rio - and up to 2020 - against a baseline value of € 167 themes. In line with a methodology adopted by the OECD million per year. These commitments are expected to be Development Assistance Committee (DAC), there are three tepped up in the upcoming Neighbourhood, Development possible scores (0, 1 and 2) for Rio markers, DG DEVCO as and International Cooperation Instrument (NDICI) to at sesses that a certain percentage of an action's budget can least 25 % for climate action. Four 'Rio markers' were developed to assess the contri- score of the corresponding Rio marker, as follows bution of actions to the objectives of UN Rio Conventions.

be considered to contribute to a Rio theme, based on the



The scoring must be carried out in accordance with the corresponding OECD DAC directive An activity can be marked as "principal" when the objective (biodiversity, combating desertification, climate change 10 A. A. A. mitigation, climate change adaptation) is explicitly stated as fundamental in the design of, or the motivation for, the 10 A. A. activity. To be marked "significant", the objective must be explicitly stated but is not a fundamental driver or motivatifor undertaking and designing the activity 10.00



Greening Toolbox resources

European Commission > ... > IV. Annexes

Annex 2. Aid to environment, DRR and Rio markers

- > Intervention Cycle Methodology Guide
- ✓ Greening EU Cooperation Toolbox
 - Acronyms and abbreviations
 - > I. Introduction
 - > II. Greening in practice
 - > III. Guidance and support
 - \checkmark IV. Annexes
 - Annex 1. Greening EU cooperation tools

Annex 2. Aid to environment, DRR and Rio markers

 Annex 3. Model terms of reference for a Country Environmental Profile

Annex 2. Aid to environment, DRR and Rio markers

All action documents need to indicate if they target certain themes, which are reflected in policy makers, Rio markers and internal markers aiming at identifying and tracking financial contributions to specific themes.

This annex is concerned with the aid to environment and the Disaster Risk Reduction (DRR) policy markers, as well as with the four Rio markers (biodiversity, combating desertification, climate change mitigation and climate change adaptation).

These markers are defined by the OECD DAC, which has developed guidelines for their application, including eligibility criteria. The Commission strives to strictly follow the DAC methodology. The relevant directives and guidance can be found here.

Possible marker scores

Each marker can have one of three possible values:

- Principal objective (marker score 2)
- Significant objective (marker score 1)
- Not targeted (marker score 0)

An objective (e.g. climate change mitigation, biodiversity) is considered 'principal' when it is <u>explicitly stated as fundamental</u> in the design of, or the motivation for, the action. Promoting the objective will thus be stated in the documentation to be one of the principal reasons for undertaking the action. In other words, the action would

What are Rio markers and how to apply them

Tutorial video

https://www.you tube.com/watch ?v=Ek82kgQ_a PM







Definitions and eligibility criteria



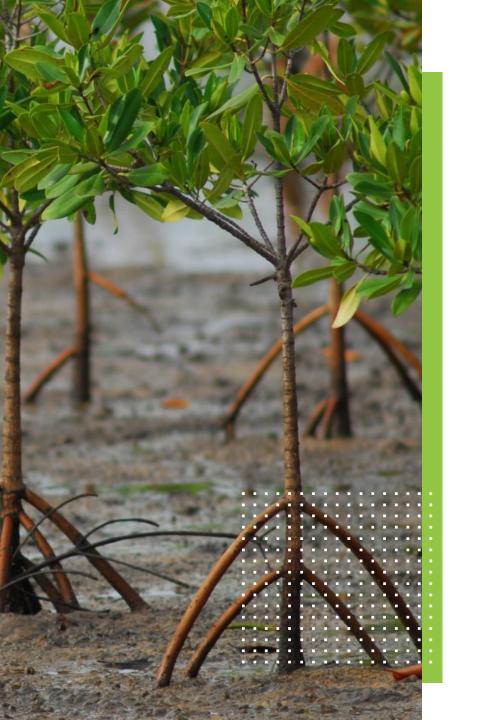




Definition climate change mitigation

The activity 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 removal by sinks, in line with the goals of the Paris Agreement.



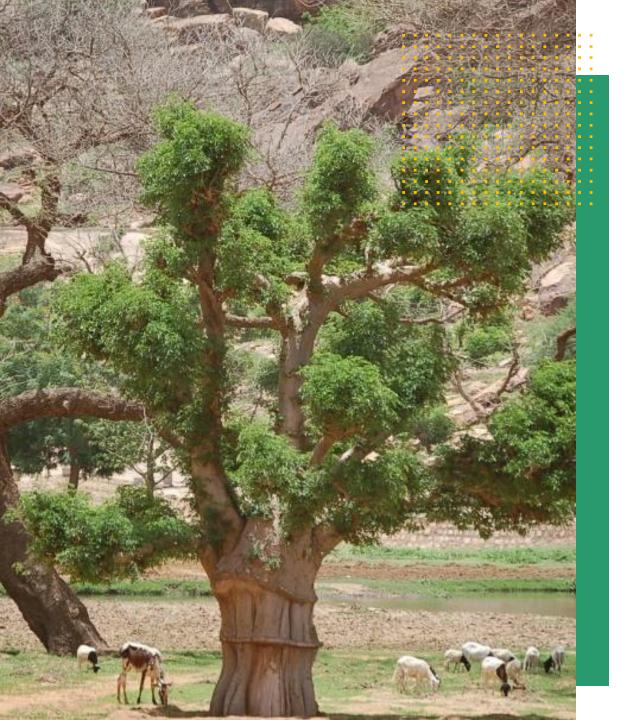


Eligibility criteria climate change mitigation

The activity contributes to:

- Mitigation of climate change by <u>limiting anthropogenic emissions</u> of <u>GHGs</u>, including gases regulated by the Montreal Protocol; **or**
- Protection and/or enhancement of <u>GHG sinks and reservoirs</u>; or
- <u>Integration of climate change concerns with the recipient</u> <u>countries' development objectives</u> through institution building, capacity development, strengthening the regulatory and policy framework, or research; **or**
- <u>Developing countries' efforts</u> to meet their obligations under the Convention.





Definition climate change adaptation

The activity 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 the 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 implementation of climate change adaptation actions.





Eligibility criteria CC adaptation

- The climate change adaptation <u>objective is</u> <u>explicitly indicated</u> in the activity documentation; **and**
- The activity contains <u>specific measures</u> targeting the definition above.
- Carrying out an assessment of vulnerability to climate variability and change, either separately or as an integral part of the agencies' standard procedures, facilitates this approach.





Best practice CC adaptation

Set of Best practice: a three-step approach:

- Set out the context of risks, vulnerabilities and impacts related to climate variability and climate change, using a robust evidence base (existing analyses and reports, CVA analysis, or other);
- State the intent to address the identified risks, vulnerabilities and impacts in project documentation (how to address the above);
- 3. Demonstrate a clear and direct link between the identified risks, vulnerabilities and impacts and the specific project **activities**.





Biological diversity definition

- The activity promotes 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 benefit-sharing of the utilisation of genetic resources.





Biological diversity eligibility criteria (extracts)

The activity contributes to:

- Conservation or enhancement of ecosystems, species or genetic resources...their use/restoration...
- Integration of biodiversity...within recipient countries' development objectives, economic and sectoral regulations, planning and decision-making processes...
- Elimination, phasing out or reform of incentives...harmful to biodiversity...
- Maintenance, sustainable management and restoration of genetic diversity...
- Developing countries' efforts to meet CBD obligations...
- Implement NbS...





Combating desertification definition

The activity 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.





Combating desertification eligibility criteria

The activity contributes to:

- Protecting or enhancing dryland ecosystems or remedying existing environmental damage; or
- Integration of desertification concerns with 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.



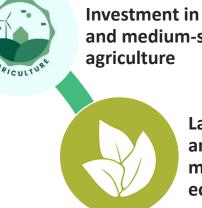
Claiming a 'principal objective' (RM2)

- The Rio theme should be a **starting point** when identifying an Action, and one of the principal reasons for designing it!
- Indirect benefits or partial contributions are insufficient to justify a RM2 (e.g. <u>the Action would not have been funded or designed that way -</u> without the cc/bd/d objective)
- The Rio markers are **applied to the whole of the action**. If only one component addresses Rio theme-relevant activities, it is usually not enough to secure a RM2.
- **Countries' relevant documents** (i.e. NDCs, NAPs, NBSAP, etc.) are important to support a RM2. *Does the action offer opportunities to contribute to their implementation?* If so, design the Action accordingly.
- If you truly mean to target climate as a 'principal objective'...
 - BE EXPLICIT ABOUT IT!
 - an outside reader should clearly understand what the climate/biodiversity/desertification context is, the challenges faced and how the action will help address them!
 - include relevant INDICATORS in the logical framework! Example: if CC mitigation is a principal objective, make sure to include the GERF indicator 'GHG emissions avoided (tonnes CO2eq) with EU support' in the logframe.
- Synergies between CC mitigation and/or CC adaptation with biodiversity offer many opportunities to secure contributions! Example: naturebased solutions that tackle climate change and support biodiversity at the same time (i.e. protecting mangroves, coastal protection, etc.)





Examples of potential climate/bd RM2 actions



Investment in small and medium-sized

> Land restoration and sustainable management of ecosystems

Resilient infrastructures and access to renewable energy

Governance, capacity building, and human development



Greening EUcooperation Integrating environment & climate change

- Climate-smart agriculture
- Agro-ecology and agroforestry
- Deforestation-free products exports
- Transition to sustainable food systems
- Integrated water and natural resources management
- Support to landscape management practices
- Sustainable livestock management
- Public transport with an objective to reduce GHG emissions (subway, light rail, Bus Rapid Transit, trams, etc.)
- Nature-based solutions (e.g. for sea defences, flood control,...)
- Renewable rural energy
- Clean cooking solutions
- Flood and drought prevention
- Green social protection and safety net schemes
- TVET and climate in school's curricula, research and post-graduate studies earmarked for CC/BD subjects
- Climate resilience and natural resources management of Displacement Affected Communities (e.g. addressing root causes of conflict and migration)
- Climate change preparedness of the health sector



Some particular cases to be mindful of – road construction



The mitigation marker can be applied if *activities dedicated to low/zero GHGs emissions transport modalities are promoted* (i.e., public transport lines, bike lanes and related infrastructure).





Some particular cases to be mindful of – hydropower



In hydropower (e.g. storage/dams or non-storage/run of the river), the mitigation marker *only if net GHG emission reductions can be demonstrated*.





Some particular cases to be mindful of – transmission lines



In transmission lines, the scoring depends on the *source of energy that will be distributed*, such as when *network expansion* or *modernisation* allows for the extension or connection of *clean* or *renewable energy*.





Some particular cases to be mindful of – agriculture



In agriculture, the scoring depends on the adoption of *climate-smart* and/or *sustainable agricultural practices* (i.e., agroecology, improving nitrogen fertiliser use, managing livestock manure efficiently).





Some particular cases to be mindful of – digital



Digitalisation relies on electricity and Electrical and Electronic Equipment (EEE), thus may contribute to GHG emission. Scoring depends on significant energy savings, clean energy production, and efficient ewaste management (i.e. green data centers, digital for mobility solutions, circular economy for ewaste).





Some particular cases to be mindful of – CRM







Some particular cases to be mindful of – railway transport







I would like more training...

- Check out <u>EU learn</u>: Greening EU cooperation, 3 day training in Brussels (02-04 September 2025)
- Under development: regional training in Laos (20-23 October 2025)
- Do you have a request? Give us a shout!
- Previous recordings and webinars available <u>here</u>









WEBINAR SERIES A TOOLBOX TO DELIVER ON OUR ENVIRONMENTAL AND CLIMATE OBJECTIVES UNDER GLOBAL GATEWAY





