



# Convention to Combat Desertification

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## Committee for the Review of the Implementation of the Convention

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## Quick reference guide\*

### *Summary*

By its decision 13/COP.9 on improving the procedures for communication of information as well as the quality and format of reports to be submitted to the Conference of the Parties (COP), the COP decided that the relevant activity codes (RACs) should be regularly updated by the Global Mechanism (GM) and published on its website.

By the same decision 13/COP.9 the COP requested the secretariat to develop, in collaboration with the GM, clear guidelines for the use of the Rio markers and RACs, to be made available to Parties and other reporting entities at the beginning of the reporting process to enable them to comply with reporting obligations and deadlines.

The present document contains information on relevant activities codes, Rio markers and purpose codes.

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\* This document is circulated for information and reference only. Parties and other reporting entities are invited to upload their reports through the dedicated PRAIS portal (<[www.unccd-prais.com](http://www.unccd-prais.com)>).

## I. Relevant Activity Codes

1. The Relevant Activity Codes (RACs) indicate categories of measures that are typically put in place to combat desertification, land degradation and drought.
2. These categories are derived from the text of the United Nations Convention to Combat Desertification (UNCCD)<sup>1</sup> and from the 10-year strategic plan and framework to enhance the implementation of the Convention (2008–2018) (The Strategy)<sup>2</sup>.
3. The broad list of RACs reflects the cross cutting nature of desertification/land degradation and the wide spectrum of measures that can be put in place in response to these complex phenomena.
4. The initial list of RACs originated from the report of the United States National Drought Policy Commission<sup>3</sup>, “Preparing for Drought in the 21st Century”, published in May 2000.
5. The current version of the RACs includes more than sixty codes clustered under five main areas:
  - Monitoring and research;
  - Capacity development and planning;
  - Resource management;
  - Mitigation and recovery; and
  - Emergency response.
6. RACs are maintained, regularly updated and published by the Global Mechanism (GM) on its website<sup>4</sup>, in conformity with decision 13/COP.9 (paragraph 10)<sup>5</sup>.
7. RACs have been in use since 2001 for the classification of information in the GM’s Financial Information Engine on Land Degradation (FIELD)<sup>6</sup>, as well as for the review and analysis of the portfolios of Sustainable Land Management (SLM) operations by major International Financial Institutions (IFIs)<sup>7</sup>.
8. In 2009, the Conference of Parties (COP) adopted the RACs as part of the new financial reporting templates, called Standard Financial Annex (SFA) and Programme and

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<sup>1</sup> The United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (UNCCD). <http://www.unccd.int/convention/menu.php>.

<sup>2</sup> ICCD/COP(8)/16/Add.1, pages 8-27.

<sup>3</sup> National Drought Mitigation Center (NDMC): “Preparing for Drought in the 21st Century” (May 2000). <http://drought.unl.edu/pubs/pfd21main.html>.

<sup>4</sup> <http://www.global-mechanism.org/RACs>.

<sup>5</sup> Improving the procedures for communication of information as well as the quality and format of reports to be submitted to the Conference of the Parties (Decision 13/COP.9). ICCD/COP(9)/18/Add.1, pages 84-98.

<sup>6</sup> <http://www.gmfield.info>.

<sup>7</sup> Examples of IFIs that have used the RACs for their SLM portfolio reviews include the African Development Bank (AfDB), the International Fund for Agricultural Development (IFAD) and the World Bank (WB).

Project Sheet (PPS)<sup>8</sup>, to be annexed to the official reports on UNCCD implementation submitted by country Parties and other reporting entities from 2010 onwards.

9. More specifically, RACs are to be used in the SFA for the classification of financial commitments, and in the PPS for the classification of programme or project components.

10. For the classification of financial commitments, RACs shall be used to indicate which type of activities are meant to be put in place through the funding provided. In the case of a PPS, the RACs shall be used to specify which type of remedies against desertification, land degradation or drought are included in a given programme or project as primary or secondary components.

11. It should be noted that multiple RACs can be attributed to a financial commitment or to a single programme or project component, depending on the scope of the activity and objectives pursued. An appropriate use of the RACs will ensure an accurate description of the contribution that a given activity is making to the implementation of the UNCCD and its objectives.

12. In the elaboration of the SFA and PPS, reporting entities are invited to clearly indicate the full names of the appropriate RACs, their corresponding numeric codes, or both. If the elaboration of the SFA and PPS is done through the Performance Review and Assessment of Implementation System (PRAIS) portal, the selection of the RACs is facilitated by the presence of a pre-compiled list of all available codes.

13. A few examples:

- Socio-Economic Research and Science (RAC#: 1.2.4) Activities related to the integrated economic assessment of the impacts of desertification, land degradation and/or drought, such as cost benefit analyses, macroeconomic evaluations of the costs of inaction, analyses of returns on relevant investments, and so on. Includes the development of methodologies and models to undertake such assessments;
- Capacity-Building (RAC#: 2.2.1) Capacity building activities, including policy and institutional support/strengthening, regional institutional development/strengthening, support to civil society organizations, technical assistance, advisory services on finance, training, exchange visits, and so on, related to combating desertification/land degradation and drought. Includes activities undertaken under operational objective 4 of the Strategy.

14. The comprehensive list of RACs is available at: <http://www.global-mechanism.org/RACs/>.

## II. Rio Markers

15. The Rio Markers (RMs) are indicators of the degree of relevance of a given activity in addressing the objectives of a Rio convention<sup>9</sup>.

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<sup>8</sup> Decision 13/COP.9 (ICCD/COP(9)/18/Add.1, pages 84-98).

<sup>9</sup> The so-called "Rio conventions" are the Convention on Biological Diversity (CBD), the United Nations Framework Convention on Climate Change (UNFCCC), and the United Nations Convention to Combat Desertification (UNCCD). These conventions were conceived in the run-up to the 1992 Earth Summit (United Nations Conference on Environment and Development (UNCED), Rio de Janeiro, 3-14 June 1992) as responses to environmental threats considered global in scale. They reflect the commitment of signatory countries to incorporate the principles of sustainable development and global environmental concerns into their national development agendas, while providing developing

16. The RMs have been developed by the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) in consultation with the Secretariats of the three Rio conventions and with the GM. Originally there were three RMs: for biodiversity, climate change mitigation, and desertification. In 2010, an additional marker was created for climate change adaptation.

17. RMs are designed as indicators to gauge the level to which countries implement specific policies in their programmes. Like other policy markers already applied for other cross-cutting issues such as “environmental sustainability” and “gender equality”, RMs are descriptive rather than quantitative. They are used for giving an indication of the policy objectives targeted by a given activity, but do not allow exact quantification of the financial investment into those objectives.

18. The screening of an activity against the objectives of a Convention will result in the following scores:

- 0 (not targeted): means that the activity is found not to be targeted to the Convention;
- 1 (significant): means that targeting the objectives of the Convention is an important but secondary purpose of the activity (i.e. not one of the principal reasons for undertaking the activity);
- 2 (principal): means that targeting the objectives of the Convention is an explicit objective of the activity and fundamental in its design (i.e. the activity would not have been undertaken without this objective);
- 3 (Action Programme/AP-related): for desertification only. It means that the activity was undertaken to combat desertification/land degradation as a principal objective and in support of an action programme (NAP, SRAP or RAP) to implement the UNCCD.

19. It is important to note that only the UNCCD has a dedicated marker for activities that specifically refer to the UNCCD process and/or support a national or (sub)regional action programme. It should also be noted that, to qualify for a score “principal”, “significant”, or “AP-related”, the objective has to be explicitly promoted in project documentation.

20. The scores shall be applied according to the definitions and eligibility criteria illustrated in the official OECD/DAC documents containing the RM reporting directives (see below).

21. Scores “1” or “2” are assigned if the activity in question contributes to meeting the objectives of the corresponding Rio Convention(s). In the case of a desertification-related project, for example, if the project envisages proactive action to combat desertification (e.g., reducing environmental stress) as a significant subcomponent, it shall be rated 1 (significant). If the project comprises principal components related to combating desertification, it shall be rated 2 (principal). If the project is undertaken to combat desertification/land degradation as a principal objective and explicitly refers to the UNCCD process, it shall be rated 3 (AP-related). Conversely, if no direct contribution to combating desertification is determined, the project shall be rated 0 (not targeted).

22. Activities should be marked according to their stated objectives. For example, a project to increase local income generating opportunities through improved management and sustainable use of biodiversity would be marked for the biodiversity marker as a

principal objective. However, if a similar project aims to increase local income generating opportunities, through a number of activities including, for example, livestock rearing, food processing, vegetable gardening, and the management and use of biodiversity; the principal objective would not apply, although the significant objective could be considered.

23. It is worth noting that an activity that undertakes or facilitates mainstreaming can qualify for the principal score. For example, an activity that is primarily designed to support the integration of biodiversity, climate change or land degradation into national and sub-national policies, planning and investment frameworks, should obtain the principal objective score (i.e. “2”).

24. RMs have been used by OECD/DAC member countries since 1998 for the identification of aid activities of relevance to the three Rio conventions among all Official Development Assistance (ODA) data available in the Creditor Reporting System (CRS).

25. The RMs have also been used by the GM since 2001 for the classification of information in the GM’s FIELD<sup>10</sup>, for the SLM portfolios reviews of IFIs and for statistical analyses of relevant funding and investment flows.

26. The full amounts of activities marked as “principal” can be considered as contributing to the policy objective in question. Less than the full value of activities marked as “significant” target the objective and, hence, only a proportion of these amounts should be considered in statistics of financial flows<sup>11</sup>.

27. In 2004, the Executive Secretaries of the three Rio Conventions expressed their support for the RM methodology in a joint letter to the Chair of the OECD/DAC<sup>12</sup>, stating inter-alia that the RMs allow “not only to estimate the ODA financial flows and identify trends, but can also serve as the basis for streamlining the reporting of the aid-related activities under the Rio Conventions by the Parties, thus ensuring provision of consistent data and avoiding double reporting”.

28. The Ad Hoc Working Group of the UNCCD on improving the procedures for communication of information (AHWG) recognized that the use of Rio Markers may assist in harmonization of reporting formats, also in consideration of the fact that several country Parties are requested to report to more than one Rio convention<sup>13</sup>.

29. In 2009, the COP adopted the RMs as part of the new financial reporting templates, called SFA and PPS<sup>14</sup>, to be annexed to the official reports on UNCCD implementation submitted by country Parties and other reporting entities from 2010 onwards.

30. More specifically, RMs are to be used in the SFA for the classification of financial commitments against the desertification markers, and in the PPS for the classification of the entire programme or project against all RMs. In addition, each project subcomponent can be classified against the desertification markers in the PPS.

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<sup>10</sup> <http://www.gmfield.info>.

<sup>11</sup> The methodology used by the GM for calculating resource intensity is described in “Towards harmonization and standardization: a proposed methodological guide to improve financial reporting under the United Nations Convention to Combat Desertification”. Report of the Ad Hoc Working Group on improving the procedures for communication of information (ICCD/CRIC(6)/6/Add.1). Global Mechanism, July 2007.

<sup>12</sup> Letter dated 30 January 2004 to Mr. Richard Manning (Chair of the Development Assistance Committee, OECD).

<sup>13</sup> ICCD/CRIC(5)/9.

<sup>14</sup> Decision 13/COP.9 (ICCD/COP(9)/18/Add.1, pages 84-98).

31. It should be noted that only one score can be selected each time. However, scores assigned to the desertification markers at the level of individual subcomponents may differ from those assigned at the level of the entire programme or project.

32. It should also be noted that the same activity can qualify for more than one Convention's marker. The Conventions often complement and reinforce each other. In some cases, the same policies or measures can simultaneously address climate change, biodiversity and desertification objectives. The most obvious examples relate to the sustainable management of natural resources. For example, a sustainable forest management project can contribute to biodiversity conservation, to capturing carbon (climate change mitigation) and to reducing climate risk (climate change adaptation). In drylands, such a project can also help to combat desertification.

33. Therefore, in certain cases, the same activity can obtain more than one principal or significant objective score (i.e. score "2" for biodiversity and score "2" for climate change mitigation; or "2" for biodiversity and "1" for climate change mitigation).

34. In the elaboration of the SFA and PPS, reporting entities are invited to tick the box corresponding to the selected score for each financial commitment, programme/project or subcomponent. In the PRAIS portal, the available scores must be chosen from pre-compiled lists.

35. The RMs definitions, criteria of eligibility, scoring instructions and examples can be found in the following official OECD/DAC documents<sup>15</sup>:

- Reporting directives for the creditor reporting system – Addendum Rio markers (DCD/DAC(2002)21/ADD). OECD, Oct. 2004. <http://www.oecd.org/dataoecd/44/46/35646074.pdf>;
- Reporting directives for the creditor reporting system - Addendum on the climate change adaptation marker (DCD/DAC(2007)39/FINAL/ADD3). OECD, Feb. 2010. [http://www.olis.oecd.org/olis/2007doc.nsf/ENGDATCORPLOOK/NT0000FEDE/\\$FILE/JT03278398.PDF](http://www.olis.oecd.org/olis/2007doc.nsf/ENGDATCORPLOOK/NT0000FEDE/$FILE/JT03278398.PDF).

### III. Purpose codes

36. The purpose codes (PCs) are standard categories used to indicate the economic sector that is benefiting from a given funding or activity, e.g. health, energy, agriculture.

37. PCs do not refer to the type of goods or services provided, but rather to the specific areas of the recipient's economic or social development the transfer or activity intends to foster. In other words, they describe the final destination or scope of a given activity. For example, sector specific education or research activities (e.g. agricultural education) or construction of infrastructure (e.g. agricultural storage) shall be reported under the sector to which they are directed, not under education, construction, etc.

38. Some contributions are not susceptible to allocation by sector and shall therefore be reported as non-sector allocable. Examples are aid for general development purposes, general budget support, actions relating to debt or emergency assistance.

39. The PCs have been developed by the OECD/DAC for the standard classification of aid activities in the Creditor Reporting System. The use of the PCs, also known as "Sector Classification", is governed by specific reporting directives<sup>16</sup>.

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<sup>15</sup> Documents containing reporting directives for the RMs can also be downloaded from the PRAIS portal at the following Internet address: <http://www.unccd.int/prais>

40. The Sector Classification is specifically designed to track aid flows and to measure the share of each sector or other purpose category in total aid. All in all, there are 26 main sector/purpose categories, each of which is defined through a number of “purpose codes”.

41. PCs are assigned 5-digit codes. The first three digits of the code refer to the corresponding sector or category. Each code belongs to one and only one category. The last two digits are sequential and not hierarchical.

42. Some examples illustrating the use of PCs in line with the above guidelines follow<sup>17</sup>:

(a) Construction of housing for experts working on an agricultural development project: The appropriate code is “agricultural development” (31120) and not “housing policy and administrative management”;

(b) State enterprise restructuring programme: the appropriate code is “privatisation” (25020);

(c) Assistance to Ministry of Education to prepare an education sector programme: the appropriate code is “education policy and administrative management” (11110) and neither “government administration” nor “economic and development policy/planning”;

(d) Training of government officers in project preparation: the appropriate code is “economic and development policy/planning” (15110);

(e) Fertilizer delivery: the appropriate code is “agricultural inputs” (31150) and not “import support (commodities)”;

(f) Environmental training course for mineral resource department: the appropriate code is “Mineral/mining policy and administrative management” (32210) and neither “environmental education/training” nor “advanced technical and managerial training”.

43. Given its widespread and authoritative use, the sector classification has been included in the new financial reporting templates of the UNCCD, called PPS. More specifically, PCs are to be used in the PPS for the description of the objectives pursued by a given programme or project.

44. It is recommended that programmes or projects be assigned only one purpose code. This is to avoid double-counting in financial statistics. For programmes/projects cutting across several sectors, either a multi-sector code or the code corresponding to the most important purpose should be used. Whilst it should be noted that the PPS allows for the addition of more than one purpose code for the same project, this should be considered an exception rather than common practice.

45. The list of PCs, as well as other instructions in the use of the sector classification, can be found in the following documents:

- PCs (English version):  
[http://www.oecd.org/document/18/0,3343,en\\_2649\\_34447\\_1914325\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/18/0,3343,en_2649_34447_1914325_1_1_1_1,00.html)
- PCs (French version):

<sup>16</sup> See CRS Directives (Annex 5) at [www.oecd.org/dac/stats/crs/directives](http://www.oecd.org/dac/stats/crs/directives) and DAC Directives (paragraphs 5.1 to 5.4) at [www.oecd.org/dac/stats/dac/directives](http://www.oecd.org/dac/stats/dac/directives).

<sup>17</sup> Source: Purpose Codes: sector classification (OECD).  
[http://www.oecd.org/document/21/0,3343,en\\_2649\\_34447\\_1914325\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/21/0,3343,en_2649_34447_1914325_1_1_1_1,00.html)

[http://www.oecd.org/document/18/0,3343,fr\\_2649\\_34447\\_6866322\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/18/0,3343,fr_2649_34447_6866322_1_1_1_1,00.html)

- PCs in languages other than English and Spanish will be made available on the PRAIS portal or at the following Internet address: <[www.unccd-prais.com](http://www.unccd-prais.com)>
  - OECD Information note presenting rules on the frequency of updates to purpose codes: <http://www.oecd.org/dataoecd/25/9/42745930.pdf>.
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