

Sida's Portfolio within Environment and Climate Change

Environment and climate change is one of three thematic priorities in the Swedish development cooperation. Environment and climate change is primarily a cross-cutting issue that is addressed in all sectors where Sida operates. In 2008 Sida disbursed SEK 1.8 billion (about 12%) to contributions where the environment and sustainable development was a principal objective.

Promoting environmentally sustainable development has been a key part of Sida's work since the late 1980s. This has included both support to specific environment projects (treating environment as a sector) and encouraging integration of environmental dimensions throughout Sida's operations (treating environment as a cross-cutting issue). The latter has meant encouraging support to environmental components in all sectors, as well as a compulsory requirement to analyse all contributions as to whether they will impact (positively or negatively) on the environment. During the last years increased attention has been given to addressing the risks associated with climate change and to reduce poor people's vulnerability to climate change.

The environmental portfolio has been analysed in two ways:

- 1) Environment as a cross-cutting issue, looking at all contributions that have the objective to promote environment and sustainable development. This includes for example support to the education sector that aims to include environmental aspects in the curricula, or general budget support to a country where environment is an important issue for dialogue. This analysis is based on the environmental policy marker.
- 2) Environment as a sector. This includes primarily contributions such as support to an environmental authority to develop capacity to implement and follow-up environmental regulations.

Environment as a cross-cutting issue

Table 1 shows all Sida's support to contributions where promotion of environment and sustainable development was an important objective in the years 2006–2008. During 2008, SEK 1.8 billion was disbursed to programs that had environment as the principal objective, whilst an additional SEK 7.4 billion was disbursed to contributions where environment was a significant objective¹. This means that environment and sustainable development

was an important aspect in close to 60% of Sida's portfolio 2008.

Table 1: Disbursements in billion SEK with the objective to promote the environment and sustainable development

	Principal objective	Significant objective	Total	Share of Sida's total portfolio
2008	1.847	7.359	9.205	59%
2007	1.737	6.845	8.582	56%
2006	1.902	7.261	9.163	59%

Between SEK 1.3 and 1.9 billion each year of the contributions where environment was a principal objective were also climate change-related, either addressing mitigation-aspects (aiming to reduce the volume of greenhouse gases in the atmosphere) or adaptation-aspects (taking measures to adjust natural or human systems capacity to respond to the actual or expected climate change and its effects).² See figure 1 for a graphical overview of Sida's support to adaptation and mitigation measures.

Environment as a sector

Sida also supports specific environmental projects and programmes³. These contributions have been between SEK 518–624 million during the last three years (see figure 2) and fall into three main areas: a) environmental policy and administrative management (90% of disbursements in 2008), b) fisheries (5%) and c) air pollution (5%). Sida's disbursements to these three areas amounted to SEK 602 million in 2008 which equalled 3.9% of total disbursements, and were distributed over 132 contributions. The bulk (two thirds) of this direct environmental support was channelled through global and regional organisations and one third to bilateral cooperation at country level (see figure 3). The bilateral cooperation was channelled to different country categories with the largest share (14%) destined to countries with which Sweden conducts selective cooperation, followed by Eastern Europe (11%).

¹ A contribution scores "principal" if it would not have been undertaken without the specific policy objective. It scores "significant" if the policy objective was among the objectives but was not the main objective of the project.

² Source: background material for the 5th Swedish National Report to the UNFCCC

³ All of these also have environment as the principal objective.

Figure 1: Disbursements to climate in years 2006–2008 (million SEK).

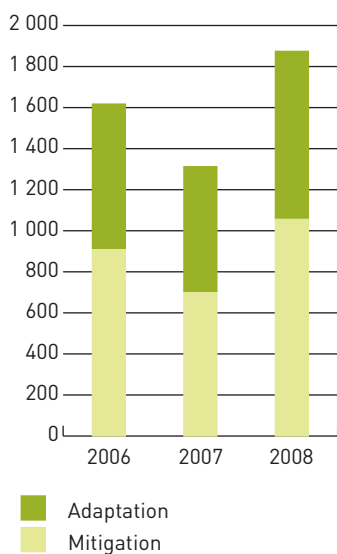


Figure 2: Disbursements (in million SEK) to environment as a sector in years 2006–2008 (million SEK).

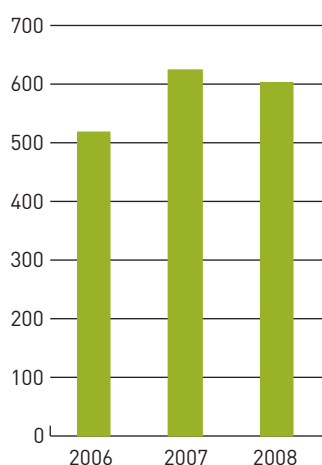
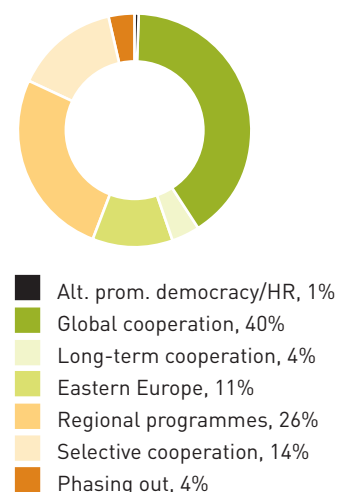


Figure 3: Environmental projects and programmes per country category 2008, percentage.



Highlights 2009

Access to clean water, land, and biological resources (fish, planting material etc) are all fundamental to economic development and improved livelihoods. These resources must hence be sustainably, equitably and productively managed if development objectives are to be met. To the well-established environmental challenges of e.g. water and sanitation, air pollution, urban wastes, and chemicals, the world is now facing two environmental challenges at a global scale – but with local consequences where the poorest are most vulnerable and hardest hit. The first is the degradation of ecosystem services (e.g. mangroves for coastal zone protection, forests for flood and erosion control, wetlands for water purification etc), our life support systems, which threatens achievement of the MDGs thereby undermining the possibilities for future development. The second is climate change, functioning as a multiplying effect on these serious degradation processes, including unpredicted weather variability, sea-level rise as well as severe and increased disasters. These two trends are also strongly interlinked – maintaining ecosystem services is critical for adaptation to climate change.

The directions from the Swedish Government for the thematic priority on environment and climate change underlines that work on environment and climate change shall be intensified and integrated throughout development cooperation work, pointing out four areas to which efforts shall be particularly concentrated: climate change adaptation, energy, environment and security, and water⁴. Environment and climate change, as a key component of the broader framework of sustainable development, has been an important part of Sida's work to contribute to creating conditions for poverty reduction in partner countries for many years but the work on these issues is now intensified through a number of processes.

THE CLIMATE CHANGE INITIATIVE

Sida will disburse SEK 1.15 billion over 4 years (2009–2012) in support of climate change adaptation through a special Climate Change Initiative that was launched in 2008 by the Swedish Government. The focus is on long-term cooperation countries (Bangladesh, Bolivia, Burkina Faso, Cambodia, Mali) and on regional cooperation in Africa and Asia. Funds are used for climate change adaptation although some activities will simultaneously be highly relevant for climate change mitigation. Primarily climate change adaptation components will be added to ongoing programmes, in particular within the areas of disaster risk reduction, agriculture, forestry, water and energy. The initiative is a complement to Sida's ongoing work on climate change adaptation.

GLOBAL ADVOCACY

Sweden, including Sida, has a long experience and high credibility regarding environment and climate change from its national and international commitments. An overall ambition for Sida during 2009 is to build on these assets and participate actively in the global dialogue, in support of the Government for the Copenhagen climate change Conference of the Parties and the Swedish EU presidency.

POLICY, ACTION PLAN AND ENVIRONMENTAL MANAGEMENT SYSTEM

Sida will during the year prepare a proposal to the Government for an Environment and Climate Change Policy that will be decided upon in the beginning of 2010. Sida has also prepared an Action Plan for the thematic priority Environment and Climate Change.

Sida was one of the first Swedish government agencies to implement an Environmental Management System in 1996. During 2009 this system will be further developed with a stronger focus on results and improved integration into the regular operational planning.

⁴ For portfolio analysis in relation to water and energy see fact sheets from Team Sustainable Services