

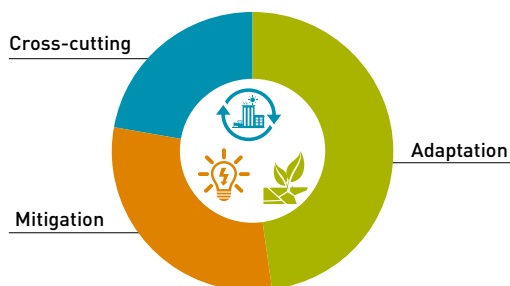


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Effective climate aid: acting early, acting strategically and acting together for improved livelihoods

A snapshot of Sida's work to reduce emissions and deliver on the Paris Agreement.

Sida supports the three overarching objectives of the Paris Agreement through strategic financial support in climate change adaptation, emissions reduction (mitigation), and cross-cutting measures that enable climate-aligned financial flows and systems. The climate support is guided by partner countries' nationally defined climate priorities and climate and development plans.



Mitigation has long been an integral part of Sida's climate-related support reflecting the urgent need to reduce global greenhouse gas emissions and limit further climate change, which threatens to undermine decades of development progress.

Strengthening mitigation efforts is not only about transitioning to clean energy or lowering emissions, it is

also about retaining and enhancing natural carbon sinks such as forests, soils, and oceans, while promoting sustainable economic growth, improving environmental health, and fostering innovation that benefits people and the planet.¹

Many countries face severe barriers to adaptation and mitigation, from fragmented policy frameworks, weak institutions and governance to lack of financing, technology, and meaningful participation by stakeholders.²

To address these barriers, Sida works together with a broad range of partners, such as national and local governments, civil society, the private sector, academia, multilateral organisations, and Swedish actors through Team Sweden, to deliver solutions that are sustainable, inclusive and transformative. Sida supports country ownership and helps translate investable plans into implementation on the ground, through innovations, technology, policy dialogue, capacity development and financing.

¹ IPCC (2023). Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report (AR6). Geneva: IPCC.

² UN Environment Programme (2025). Adaptation Gap Report 2025: Running on Empty; IPCC (2022). Climate Change 2022: Impacts, Adaptation and Vulnerability.

REDUCING EMISSIONS MATTERS

Climate change is one of the defining challenges of our time. According to UNEP's Emissions Gap Report 2025, even full implementation of current national climate pledges would still leave the world on track for around 2.3–2.5 °C warming this century, which is far above the Paris goals.³ Rapid and deep emission cuts are essential to limit warming, protect lives and livelihoods, and secure sustainable development pathways.⁴

Limiting global warming significantly increases the likelihood of achieving the Sustainable Development Goals, as climate change is already reducing food and water security and adversely affecting health, livelihoods and poverty reduction outcomes.⁵

Fossil fuels continue to dominate the global energy system and are responsible for around three-quarters of global greenhouse gas emissions.⁶ In Sub-Saharan Africa, reliable energy remains expensive, holding back economic and social development. Expanding access to affordable, reliable, and clean energy is therefore critical to both emission reductions and human development.⁷ While challenges related to energy access are particularly acute in Sub-Saharan Africa, other regions face distinct but equally critical transition challenges, including energy security and decarbonisation in Eastern Europe, and rapidly growing energy demand in parts of Asia.⁸

Decisions made in the coming decades in developing countries and emerging economies will be pivotal for the future global climate. At the same time, climate change is already hitting the most vulnerable hardest, deepening food and water insecurity, health risks, displacement, and economic losses.

According to the 2025 Tracking SDG 7 report, almost 92% of the world's population had access to electricity in 2023, leaving over 600 million people without access, primarily in Sub-Saharan Africa. At the same time, around 2.1 billion people still relied on polluting fuels and inefficient stoves for cooking, with limited gains in clean cooking access in recent years. Expanding access to reliable electricity and clean cooking solutions is therefore both a social and health imperative and supports climate mitigation by reducing household air pollution and energy-related emissions.⁹

In a world marked by increasing conflicts, energy security is a growing priority. This strengthens political will to achieve energy independence and reduce reliance on energy imports through renewable energy.

HOW SIDA WORKS TO REDUCE EMISSIONS AND SUPPORT A CLIMATE RESILIENT PATHWAY

Sida's climate aid is designed to be both strategic and catalytic, focusing where it can have the greatest impact.

To deliver effective climate support, Sida, together with partners, builds on countries' own climate and development priorities, including Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs) and long-term low-emission development strategies (LT-LEDS). By prioritising country ownership, policy coherence and reform-oriented approaches, Sida supports a just green transition anchored in national implementation pathways.

Sida also strategically focuses investments on high-emitting and high-impact sectors such as energy, agriculture, land use, water and infrastructure, where climate action can deliver the greatest mitigation and adaptation benefits while generating co-benefits for poverty reduction, food security, biodiversity and resilience.

To help close the substantial financing gap for climate action, Sida works to mobilise and leverage public and private capital at scale. Through a combination of grants, guarantees, blended finance instruments and support to policy and institutional reforms, Sida helps reduce investment risks and enable larger flows of climate finance to developing countries. In the energy sector, this includes expanding access to clean, reliable and affordable energy, which in turn underpins economic development and essential societal services such as water and sanitation, digital connectivity and early warning systems.

FIVE IMPORTANT CONDITIONS FOR CLIMATE INVESTMENTS

Ahead of COP30, representatives of the Swedish business delegation together with Sida identified five conditions that are critical for climate investments.¹⁰

The examples on next pages illustrate how Sida applies these conditions in practice by creating enabling environments, acting strategically to unlock investment, and working together with partners to mobilise both public and private capital for climate action and resilience.

3 UNEP (2025) Emission Gap Report: Nairobi

4 UNEP (2025) Emissions Gap Report 2025: Off target – Continued collective inaction puts global temperature goal at risk, Nairobi

5 IPCC (2023). Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report (AR6). Geneva: IPCC.

6 Ibid

7 IEA, IRENA, UNSD, World Bank, WHO. (2025). Tracking SDG 7: The Energy Progress Report. World Bank, Washington DC.

8 IEA (2024). World Energy Outlook 2024.

9 IEA, IRENA, UNSD, World Bank, WHO. (2025). Tracking SDG 7: The Energy Progress Report. World Bank, Washington DC.

10 These 5 priorities were communicated in a joint article in Dagens Industri, Nov. 2025, prior to COP30 and signed by Sida's Director General.

1. Clear and predictable goals – Country ownership and alignment

Supporting ambitious, evidence-based national climate plans (NDCs, and NAPs) and long-term strategies (LT-LEDs) is the starting point for Sida's support. Clear ownership and clear goals lead to predictability, which is essential to reduce risk, mobilise capital and promote innovation. Sida helps partner countries raise their ambitions, strengthen implementation, and attract investment into their own priorities.

Examples:

- **Global** - [NDC-Partnership](#): Sida supports the NDC Partnership, where Sweden is an active member of the Steering Committee. Nearly 100 countries receive support to develop and implement their climate plans. By 2025, the Partnership is expected to have over 240 members, including 133 countries, representing more than half of the world's population and around 41% of global emissions.
- **Regional Africa** – Sida supports the [African Energy Commission \(AFREC\)](#). This is a specialized agency of the African Union in charge of developing, coordinating and harmonising energy policies with an objective of protection, conservation, development, rational exploitation, commercialisation and integration of energy resources on the African continent.
- **Latin America** - [Green Innovative Finance for Latin America and the Caribbean](#) (GIF4LAC): Sida co-finances Green Innovative Finance for Latin America and the Caribbean, which has trained over 145 experts from 20 countries, integrated climate goals into national budgets in six countries, and created a portfolio of investment-ready projects worth over USD 1 billion including sustainable infrastructure and climate-smart transport.

2. Policies that enable climate-resilient investment

Helping partner countries design policies that phase out fossil fuel subsidies, promote renewable energy, strengthen carbon pricing, and encourage circular economy solutions.

Examples:

- **Global** - [Energy Sector Management Assistance Program \(ESMAP\)](#) is a World Bank-led trust fund that supports policy reform, renewable energy investment, and fossil fuel phase-out to accelerate the clean energy transition and advance universal access to sustainable energy. Through its Sustainable Risk Mitigation Initiative, ESMAP supports Ethiopia and Liberia in advancing competitive renewable energy procurement processes, including the integration of energy storage solutions. It also assists the Government of Rwanda in developing public-private part-

nership frameworks for solar energy.

- **Global** - [The Public-Private Infrastructure Advisory Facility \(PPIAF\)](#): Through its support to PPIAF's Climate Resilience and Environmental Sustainability Technical Advisory initiative, Sida strengthens partner countries' capacity to engage the private sector in climate-resilient and environmentally sustainable infrastructure. The support provides technical assistance, climate analysis and policy advice that help integrate resilience and climate objectives into public-private partnership frameworks, infrastructure planning and NDC implementation.
- **Bolivia** - [Strategic support for forest protection](#): The Swedish Embassy in La Paz has through a strategic approach, civil society partnerships and some small grant funding been key to Bolivia's successful application and admittance to the LEAF Coalition. LEAF works with a so-called jurisdictional approach using results-based payments to provide economic incentives for local governments to reduce deforestation.
- **Regional Africa** - [Vi-Agroforestry Carbon Expert Desk in Africa](#): Sida funds an expert desk to provide Sida and partners with technical knowledge on agricultural, forestry and other land use (AFOLU) carbon market projects contributing to development of responsible and inclusive carbon markets in partner countries that also can also benefit people living in poverty and their livelihoods.
- **Regional Africa** - [Global Energy Transformation Programme](#) (GET.Pro): Sida supports The Global Energy Transformation Programme (GET.pro), a European multi-donor platform that operates globally with a focus on Africa. GET.pro contains of three parts: GET.invest, GET.transform and Africa EU Energy Partnership (AEEP). GET.invest mobilises private investments in decentralised renewable energy and GET.transform assists public partners in advancing their energy transitions. As part of its regional measures, GET.pro through GET.invest supports the mobilisation of private investment projects in 52 countries: 39 in Africa, 8 in the Caribbean and 5 in the Pacific. On the regional level, GET.pro collaborates with institutions in Africa and Latin America to facilitate the development, alignment, and harmonisation of national and regional energy planning processes and regulations.

3. Standards and procurement as drivers of change

Sida works at global, multilateral, and bilateral levels to strengthen sustainability, transparency, and accountability in public procurement. Sida supports the development of clear sustainability standards and green procurement systems that create demand for sustainable and circular solutions.

Examples:

- **Regional Africa – [Efficiency for Sustainable Livelihoods in Africa \(EELA\)](#):** With support from Sida and the Swedish Energy Agency, this programme works across 36 African countries. EELA is a regional capacity building project for proliferation of energy efficient, high quality equipment and appliances in African markets. On a regional level EELA has resulted in the adoption of harmonised Minimum Energy Performance Standards for lighting and cooling appliances, compliance frameworks, strengthened regional reference laboratories for testing and pilots for private sector development. In addition, country specific windows focus on supporting energy efficiency within industries in Kenya, Zambia and Zimbabwe.
- **Sida’s International Training course (ITP) – [Effective Preventive National Chemicals Control \(ITP+\)](#)** Sida finances an International Training Programme led by [the Swedish Chemicals Agency \(Kemli\)](#) to strengthen institutional capacity for effective preventive national chemicals control in partner countries. The programme supports key authorities in developing and implementing regulatory frameworks, risk assessment tools and change initiatives aligned with national processes and international chemicals conventions. By strengthening institutional governance and preventive control systems, the programme contributes to improved protection of human health and the environment, reduced societal costs of chemical risks, and sustainable development.

4. Capacity-building and knowledge transfer

Investing in stronger institutions, transparent governance, and partnerships that connect national, regional and local levels. Sida promotes innovation, research and scaling of new solutions, while reducing risks of corruption and instability.

Examples:

- **Global & MENA – [Water & Energy for Food \(WE4F\)](#):** Since its launch in 2020, Sida has supported the WE4F Challenge Fund that supports 172 innovators. As a result, more than five million small-scale farmers have gained access to innovations that produce more food with less water and energy use. The fund has mobilised over SEK 2 billion in capital.
- **Regional Africa – [Efficiency for Sustainable Livelihoods in Africa \(EELA\)](#):** With support from Sida and [the Swedish Energy Agency](#), this programme, administered by UNIDO, works across 36 African countries to strengthen policies on energy efficiency. The EELA project runs a capacity framework for training within the SADC and EAC regions. The training consisted of both onsite and online sessions with focus on the key areas within the EELA project such as lighting, clean

cooling, productive use and market development.

An E-learning platform was also launched with the goal to strengthen the competence of key stakeholders and ignite the development of an enabling market for energy-efficient lighting and appliances. This online training space was a gateway to capacity development, offering knowledge and expertise to fuel progress. Accessible for free, our pre-recorded modules empowered users to undergo training at their convenience, on their terms.

- **Zambia – [Kariba Dam rehabilitation](#):** Sida has contributed to the rehabilitation together with the World Bank and the EU. As part of the rehabilitation, a program for women skills development has been run and a fraction of the graduate trainees have been offered permanent employment with the Zambezi River Authority

5. An inclusive and just transition

Sida provides support that ensures that women, youth, Indigenous Peoples and local communities are meaningfully included in climate-related decision-making and implementation, strengthening locally led climate action, resilience and a just green transition.

Examples:

- **Liberia – [Supporting A Green/Blue Economy: Blue Ocean Program](#):** Sida supports an inclusive and green transition by strengthening institutional capacity, governance and knowledge for sustainable fisheries and the blue economy, as well as enabling women and young professionals to access skills development and inclusive finance that improve livelihoods and support marine and mangrove conservation.
- **Bolivia – [Limiting climate impact and deforestation](#):** Sida supports the country’s environmental movements and contributes, for example, to sustainable solutions in production and consumption, reducing the country’s climate impact and increasing people’s ability to withstand climate crises. Indigenous peoples are given greater opportunities to protect their territories, which helps to preserve valuable ecosystems with great biodiversity.
- **Eastern Europe – [Bankwatch](#),** supported by Sida, is an association of non-profit environmental CSOs based in Central and Eastern Europe as well as the Western Balkan region with the main focus to act as watchdogs for investments financed by IFIs (EBRD, EIB, ADB). Bankwatch’s mission is to prevent investments made within the framework of international development cooperation from having negative consequences on the environment and social structures. In addition, Bankwatch works to promote the use of renewable energy and increase public engagement on these issues.

SIDA'S ROLE IN TEAM SWEDEN – ENABLING CLIMATE MITIGATION AT MULTIPLE LEVELS

Sida is a central part of Team Sweden, working across global, regional and national levels to translate climate commitments into action. With a country presence, knowledge of local contexts, and tools such as guarantees, long-term capacity development support and support to project preparation, Sida enables governments, civil society, academia, the private sector, and Swedish actors to come together. This strengthens country ownership, supports the implementation of climate plans (NDCs, NAPs, LT-LEDs) and enhances the ability to mobilise capital. Together with partners, Sida's support helps build an enabling environment for a green and just transition, creating the conditions for bankable projects, strengthened public financial management and increased private sector engagement. By sharing and reducing investment risks, and through presence and partnerships with civil society and public institutions, Sida also contributes to lowering barriers for private actors entering new and emerging markets.

At the national level, Sida supports partner countries to develop high-ambition climate plans by strengthening institutions, policies and governance systems required for delivery. This includes support for coherent policies that integrate sustainability considerations, effective policy instruments, and good governance such as transparency, participation, accountability and responsiveness, as well as institutions with the capacity to plan, budget, and monitor implementation and ensure compliance. This strengthens policy predictability and public financial management, while creating conditions for bankable climate investments.

At the regional level, Sida facilitates coordination and knowledge exchange on shared priorities such as energy transition, early warning systems and climate-smart agriculture, while supporting alignment with international sustainability standards and green procurement frameworks.

At the global level, Sida engages in strategic partnerships to support countries in raising ambition, strengthening implementation capacity and improving access to climate finance. By contributing to stronger and more coherent international climate frameworks, Sida helps ensure that global agreements translate into tangible results for developing countries.

Across all levels, Sida helps reduce climate risks, accelerate emissions reductions and link development cooperation with investment opportunities for a low-emission, climate-resilient and just green transition.



In short: Sida and Sida's approach

Sida is Sweden's government agency for international development cooperation, working to reduce poverty and oppression. Sida contributes to accelerating the implementation of the Paris Agreement and to strengthening the effectiveness of climate finance at country level, improving livelihoods and resilience. Through close partnerships with governments, civil society, academia and the private sector, and as part of Team Sweden, Sida supports climate action based on country priorities, contributing to both adaptation and mitigation efforts and advancing a just and sustainable green transition.

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