



Climate Change and Environment

Towards Climate Resilient Societies and Environmental Sustainability

Sustainable use and management of the earth's resources is a prerequisite for reduced poverty and sustainable societies – for current and for future generations. In 43 per cent of Sida's support in 2025, efforts to combat the effects of climate change and improving the environment were a significant part in initiatives in different sectors and thematic areas.¹ This included efforts to avoid and reduce greenhouse gas emissions and to strengthen resilience to climate change, improve environmental sustainability, restore and sustainably manage natural resources and biodiversity, retain carbon sinks, halt desertification and support disaster risk reduction.



DEVELOPMENT IN THE WORLD

The challenges related to climate change and the environment are becoming more evident as knowledge of the effects are increasing. The negative impacts of climate change on nature and people worldwide are severely challenging the ability of poor and vulnerable people to lift themselves out of poverty.²

In the World Economic Forum Global Risk Report 2024, five out of ten risks for the global economy on a ten year horizon are directly linked to climate and environment; extreme weather events, critical change to earth systems, biodiversity loss and ecosystem collapse, natural resource shortages and pollution.³

The UN Climate Panel (IPCC) has concluded that human-caused global warming is affecting many weather and climate extremes, with vulnerable people being disproportionately affected. The main driver for global warming is human societies burning of fossil fuels for power supply, heat supply, transportation and industrial processes.⁴

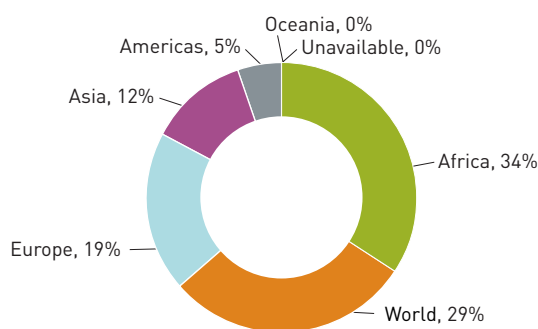
MAIN AREAS OF SUPPORT

As the effects of climate change, loss of biodiversity and environmental degradation become increasingly alarming, inequalities, poverty, conflicts and vulnerability in societies and for individuals will increase. Therefore, climate and environmental work is an important prerequisite for reducing poverty and must be conducted in the form of advocacy, targeted initiatives and integration into all of Sida's operational activities.

In 2025, Sida implemented 41 development cooperation strategies (including humanitarian assistance). Out of these, 27 strategies specifically targeted climate and environment. The share of Sida's total outcome with aid to climate and environment as the principal objective was 14 per cent (SEK 3.3 billion). An additional 29 per cent (SEK 6.6 billion) was disbursed as part of interventions within in other thematic areas, yet with climate and environment as a significant objective, i.e. integrated in other thematic areas.⁵

Africa is the continent receiving the largest share, 33.8 per cent, of development finance for aid to climate and environment, followed by Europe, 19.3 per cent, and Asia, 12.3 per cent. See Figure 1.

FIGURE 1. GEOGRAPHICAL DISTRIBUTION OF THE SUPPORT TO CLIMATE AND ENVIRONMENT 2025



SIDA'S SUPPORT

The main implementing partners within the field of climate and environment were multilateral organisations followed by non-governmental organisations and universities, research institutes and think tanks. See Figure 2 on next page.

¹ Referring to disbursements with the policy marker Aid to the environment, ÅR – Thematic Reporting 2025, page 34

² GNAFC (2022). 2022 Global Report on Food Crises

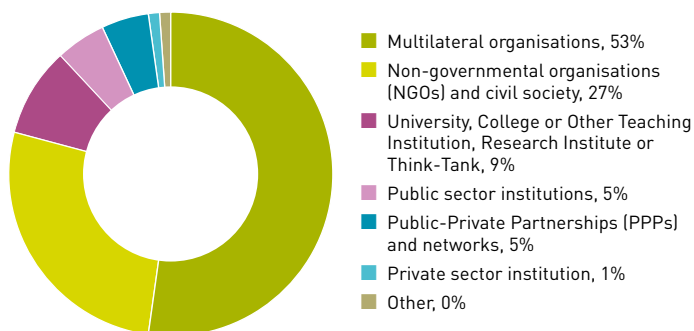
³ World Economic Forum (2024) The Global Risk Report 2024, Geneva, Switzerland

⁴ IPCC (2023) Summary for Policymakers. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, pp. 1-34, doi: 10.59327/IPCC/AR6-9789291691647.001

⁵ Referring to disbursements with the policy marker Aid to the environment, ÅR – Thematic Reporting 2025, page 34

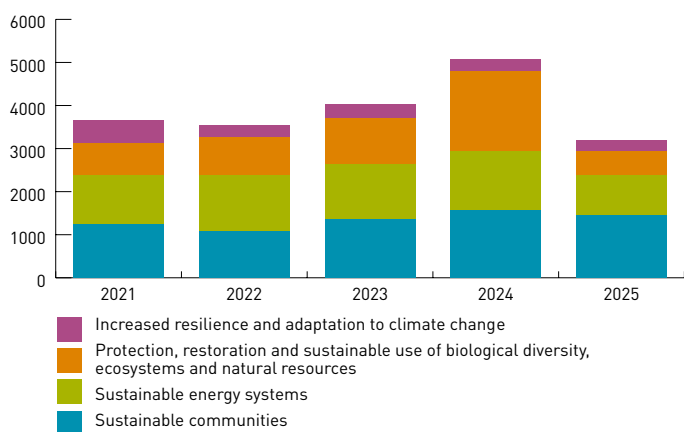
Results

FIGURE 2. DISTRIBUTION BY PARTNER CATEGORY WITHIN THE SUPPORT TO CLIMATE AND ENVIRONMENT 2025



The main subsector for support to Environment and Climate Aid 2025 was Increased Resilience and Adaptation to Climate Change, which received SEK 1.4 billion. The second largest subsector was Protection, Restoration and Sustainable use of Biological Diversity, Ecosystems and Natural Resources, SEK 0.9 billion. Third was Sustainable Energy Systems, SEK 0.6 billion. Fourth was support to Sustainable Communities, SEK 0.2 billion, see Figure 3.

FIGURE 3. DISBURSEMENT BY SUB-SECTOR WITHIN CLIMATE AND ENVIRONMENT 2025



Based on Rio-markers, disbursements during 2025 with climate change mitigation or adaptation as the principal or significant objective amounted to SEK 3.1 billion.⁶ Disbursements with biodiversity as a principal or significant objective amounted to SEK 1.1 billion in 2025.⁷

The largest thematic sectors under environment and climate aid in 2025 were, in descending order, general environmental protection (SEK 980 million), agriculture, forestry, fishing (SEK 444 million), energy (SEK 366 million), and water supply and sanitation (SEK 316 million).

During 2025 Sida contributed to 32 guarantees which generated at total amount of SEK 24 billion in mobilised capital.

With a focus on the three interlinked planetary crises – climate change, pollution and biodiversity loss – Sida has continued to strive to align its portfolio with the Paris Agreement and the Kunming Montreal Biodiversity framework during 2025. For example, Sida has supported energy efficiency and fossil free energy as well as the protection and sustainable use of biodiversity on land and in oceans.

EXAMPLES OF SIDA CONTRIBUTIONS:

- In Ukraine, Sida’s support through the World Bank to sustainable forest management has given around 56,000 small-scale farmers access to necessary inputs.⁸
- Sida’s support to the Water and Energy for Food fund has contributed to the fund mobilising over SEK 2 billion since 2020, which in turn has introduced 6 million small-scale farmers and other actors to use more climate-adapted working methods in agriculture and food systems that save energy and water.⁹
- In Bangladesh, Sweden has contributed to mobilising climate finance e.g. to the Sustainable Fashion Platform, where several Swedish clothing companies collaborate with Sida to drive solutions that reduce carbon dioxide emissions in the textile industry.¹⁰

⁶ In this total sum, 100 percent of the amount is included when any of the markers are principal and 40 percent if the marker is significant.
⁷ In this total sum, 100 percent of the amount is included when any of the markers are principal and 40 percent if the marker is significant.
⁸ [World Bank URTF MDTF Ukraine Relief, Recovery, Reconstruction, Reform | Openaid](#)
⁹ [Water and Energy for Food \(WE4F\) 2019-2025 | Openaid](#)
¹⁰ [Promoting Green Growth in the RMG Sector Through Skills \(PROGRESS\) | Openaid](#)