

Sida's Portfolio within Environment and Climate Change 2006–2010

Environment and climate change, as a key component of the broader framework of sustainable development, has since the late 1980s been an important part of Sida's work towards creating conditions for poverty reduction in partner countries. Environment is primarily a cross-cutting issue that is addressed in all sectors where Sida operates. Environment and climate change is also, since 2007, one of three thematic priorities for Swedish development cooperation. In 2010, Sida disbursed SEK 2.1 billion (almost 14 %) to contributions where environmentally sustainable development was a principal objective.

A Government policy on environmental and climate issues was adopted in September 2010. The policy establishes that environmental and climate aspects are a central basis for all development cooperation and that both normative and operative work shall be characterized by an environmental perspective. In line with the policy Sida encourages integration of environment and climate change throughout Sida's operations, in combination with providing financial support to targeted environmental interventions.

Environment as a cross-cutting issue

Environmentally sustainable development was an important aspect in 55–60% of Sida's portfolio during the five-year period 2006–2010, see Table 1. During 2010, 2.1 billion SEK was disbursed to programs that had environmentally sustainable development as a principal objective. An additional 6.5 billion SEK was disbursed to contributions where environment was a significant objective¹. The picture varies considerably between sectors. Noticeably apart from the sectors prioritized in the policy, environmentally sustainable development also constituted a significant objective in the education sector.

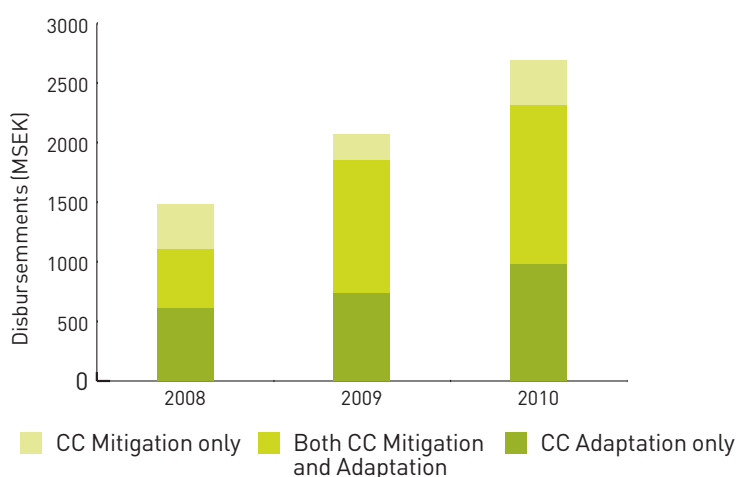
Table 1: Disbursements (in billion SEK) with the objective to promote environmentally sustainable development

Year	Principal Objective	Significant Objective	Total	Share of Sida's total portfolio
2010	2.125	6.510	8.635	56%
2009	2.294	7.802	10.096	60%
2008	1.834	7.482	9.316	60%
2007	1.682	6.997	8.679	57%
2006	1.826	7.380	9.206	59%

¹ All Sida contributions are, in line with OECD-DACs reporting system, scored against an environment policy marker. 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. General Budget Support (GBS) is included.

In 2010 about 2,7 billion SEK (of the 8,6 billion SEK that was relevant for environmental sustainability) were directly climate change related², with 385 million SEK to contributions addressing mitigation aspects only, 1,4 billion SEK addressing both mitigation and adaptation, and 975 million SEK addressing adaptation aspects only, see Figure 1.

Figure 1. Disbursements in million SEK with the objective to support implementation of the UNFCCC³



² This reporting is made against the so-called "Rio Markers". The Rio Markers are part of the OECD DAC Creditor reporting System, and include four markers (biodiversity, climate change mitigation, climate change adaptation and desertification). Compulsory reporting within Sida against the Rio Markers commenced July 2010, and the data (particularly for 2008 and 2009) should hence be regarded with very high caution. The data includes both scoring "principal" and scoring "significant". General Budget Support (GBS) is not included.

³ The Copenhagen Accord, adopted 2010 at the 15th Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC) includes a number of new financial elements, among those a 'fast start finance' commitment by developed countries to provide new and additional resources, approaching USD 30 billion for the period 2010–2012, with balanced allocation between adaptation and mitigation. The European Union and its Member States committed to contribute a total of € 7.2 billion over the period 2010–2012 as part of their fast-start effort. In 2010, the EU already mobilized € 2.2 billion. Note that amounts here are higher than the 1,6 billion SEK Sida reported to the Foreign Ministry in 2010 as the bilateral part of the Swedish so-called Fast Start finance. One reason is that support to Europe is not included in the figures presented as "Fast Start".

Table 2. Sida contributions within the Climate Change Initiative 2010 according to Sida sectors (number of contributions and million SEK)

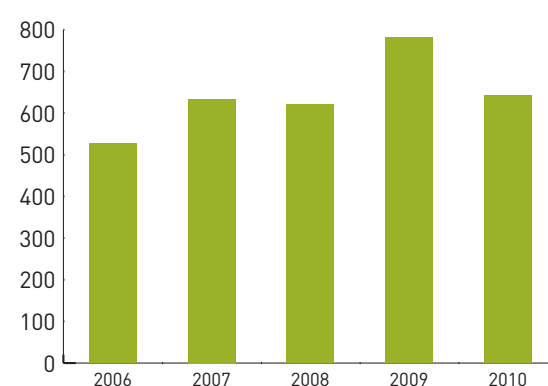
Country/ Region	Env. politics and managment		Natural disasters		Forestry		Water resource man.		Env. Research		Agriculture development		Education in env. issues		Total	
Bangladesh	2	80													2	80
Bolivia	1	2,6			2	18,4	2	5			2	15,25			7	41,25
Burkina Faso	1	-					1	15							2	15
Cambodia	3	8													3	8
Mali	1	17,2			2	4,5							2	1,8	5	23,5
Regional Africa	6	37,3					1		2	13,6	1	5	1	1	11	56,9
Regional																
Asia	6	18,5	2	4,5	1	2									9	25
Total	20	163,6	2	4,5	5	24,9	4	20	2	13,6	3	20,25	3	1,8	39	249,6

The Sida managed part of the Swedish Government Climate Change Initiative, that was launched 2008/2009, is included in the above figures. A total of 1.15 billion SEK 2009-2012 is channelled through Sida for cooperation with a selected number of long term cooperation countries and regions. 250 million SEK was disbursed by Sida under the climate change initiative 2010, of which 164 million SEK within the environment sector (see Table 2).

Environment as a sector

Sida also supports specific environmental projects and programs. These contributions have amounted to between 550 and 700 million SEK during the last five years (see Figure 2), and are mainly targeted towards general environmental policy and management⁴, with some specific contributions to air pollution control and biodiversity⁵. Sida's disbursements to the environment sector amounted to 642 million SEK in 2010 which corresponded to 4% of total disbursements⁶, distributed over 138 contributions. 57% of this direct environmental support was provided at global and regional level. At country level the largest share (19%) was destined to countries with which Sweden conducts long-term cooperation, followed by reform cooperation in Europe (15%). Global contributions have been the largest individual category 2006-2010 (except 2009) followed by regional cooperation. There is further a steady increase in support to environment as a sector in long-term program cooperation countries, mainly because of the climate change initiative that was initiated in 2008/2009 (see Table 2). There is no support to environment as a sector in conflict/post-conflict countries, and a steady decline in environmental disbursements to selective cooperation countries (South Africa, Namibia, Botswana, India, Indonesia, China and Vietnam).

Figure 2. Disbursement to environment as a sector, 2006–2010 (million SEK)



Priority areas in the Swedish Policy for Environment and Climate Issues

The Government Policy for Environment and Climate Issues in development cooperation specifies that Sweden shall focus on five areas: Strengthened institutional capacity; food security and ecosystem services; water, sustainable energy; and sustainable urban development. The first area is captured in the statistics above on the environment as both a cross-cutting issue and as a sector. The following trends can be noted:

- Total disbursements to the five sectors show a 22% decline over the five year period, mainly because of lower disbursements to urban development and agriculture/forestry.
- There is a slight increase in total amount with environment as principal policy objective. The proportion of contributions that have environment as principal policy objectives increases even more, and is particularly high in the environment and water sectors (95% and 79% respectively). The highest proportional increase is found in the energy sector (from 17% 2006 to 49% 2010) and in the urban sector.

⁴ Climate change related support can fall into this category, but also into other sectors. In the latter case it is captured statistically through Rio marker for climate change (Figure 1).

⁵ This classification is based on available OECD-DAC sub-sector codes.

⁶ The decline in absolute terms should be seen in relation to the overall lower disbursements during 2010. The share of 4% is similar to earlier years.

Contact information

Sida/Department for Policy Support
105 25 Stockholm, Sweden
Phone: +46 8 698 5000 E-mail: sida@sida.se
www.sida.se