

Sida's Portfolio within Environment and Climate Change 2011

Environment and climate change is a key component of the broader framework of sustainable development. Sustainable use of natural resources and environmental concern are fundamental to create conditions for efficient poverty reduction in partner countries. Environment is primarily a cross-cutting issue that is addressed in all sectors where Sida operates as well as one of three thematic priorities for Swedish development cooperation. In 2011, Sida disbursed 1.8 billion SEK to contributions where environmentally sustainable development was a principal objective, which represents 12% of Sida's total portfolio.

The overall goal of the Swedish Government's policy for environment and climate change reads: *A better environment, sustainable use of natural resources and stronger resilience to environmental impact and climate change in developing countries, and a limited climate impact.* 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.

Integration of environment and climate change

Working to promote economic and social development that is environmentally sustainable is a very important part of Sweden's development cooperation and Sida encourages integration of environment and climate change in all operations. In addition, specific financial support to target environmental and climate change related interventions is provided. In 2011, 1 847 million SEK was disbursed to contributions where environment was a principal objective and an additional 5 700 million SEK was disbursed to contributions where environment was a significant objective¹. In 2011 almost half of the total development support from Sida has environment as principal or significant objective, which confirms environment as both a sector and as a cross-cutting issue. Compared to previous years the disbursements with the objective to promote environmentally sustainable development have slightly decreased (table 1).

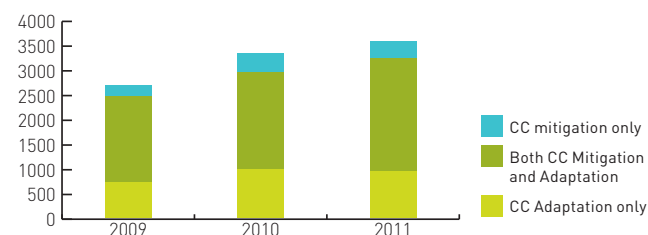
Table 1. Disbursements (in million SEK) with the objective to promote environmentally sustainable development¹

Year	Principal Objective	Significant Objective	Total	Share of Sida's total portfolio
2011	1 847	5 695	15 329	49,2%
2010	2 050	5 810	14 551	54,0%
2009	2 193	7 131	15 949	58,5%

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.

Compared to 2010, the support to climate change related interventions has increased in 2011 from 3 321 million SEK to 3 578 million SEK. The biggest increase is found in the interventions that targets both adaptation and mitigation. Of the total Sida disbursements 390 million SEK are categorized as having adaptation as the principal objective, 2 387 million SEK have adaptation as significant objective² (figure 1).

Figure 1. Disbursements in million SEK with the objective to support implementation of the United Nations Framework Convention on Climate Change, UNFCCC.



The Swedish Government Climate Change Initiative

The Swedish Government's Climate Change Initiative, was launched in 2008/2009 and up to 2011, 749,4 million SEK have been disbursed to a selected number of long-term cooperation countries and regions (table 2). The principal objective of the Climate Change Initiative is to support long-term efforts for climate adaption in low income countries, but the funding also contributes to the efforts of developing countries to limit greenhouse gas emissions. Most of the support is directed towards environmental policies and governance issues, but the support also targets relevant areas of society being affected by climate change, e.g. water and sanitation, agriculture, research, and disaster risk reduction.

² Reporting is made by using the so called Rio Markers for climate change mitigation and climate change adaptation used within the OECD DAC reporting system. Note that amounts here are higher than the bilateral part of Swedish so called 'Fast Start Finance' reported to the UNFCCC. For more information on climate reporting please contact Sida.

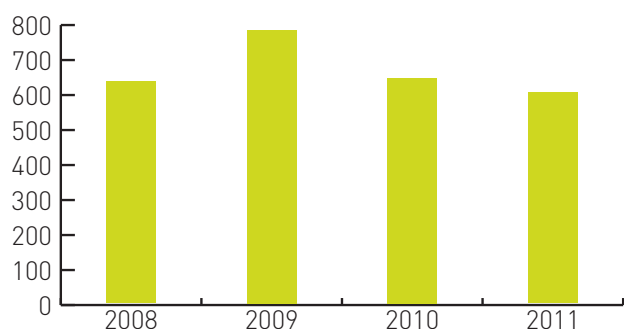
Table 2. Climate Change Initiative disbursements 2009, 2010 and 2011 (million SEK)

Country/Region	Total 2009	Total 2010	Total 2011	Total 2009-2011	Total allocation during 2009-2012
Bangladesh	50,0	80,0	10,0	140,0	180
Bolivia	11,5	41,3	74,7	127,5	200
Burkina Faso	10,6	15,0	50,5	76,1	125
Cambodia	15,0	8,0	12,3	35,3	60
Mali	18,4	23,5	27,7	69,6	125
Regional Africa	100,0	57,2	59,7	216,9	350
Regional Asia	34,0	25,0	25,0	84,0	110
TOTALT	239,5	250,0	259,9	749,4	1150

Specific Environmental focus

Environment is also supported as a sector, where Sida supports specific environmental projects and programs. Over the last four years, contributions amount to a total of SEK 2 600 million, with an average of 665 million SEK per year (figure 2).

Figure 2. Disbursement to environment as a sector, 2008-2011 (million SEK)



The biggest share of the disbursement in 2009-2011 went to Regional Cooperation, followed by Global Cooperation. In 2011, 56 % of the support to environment as a sector was provided at global and regional level. At country level the largest share (18%) was destined to countries with which Sweden conducts long-term cooperation, followed by reform cooperation in Europe (15%). There is no support to environment as a sector in conflict/post-conflict countries.

Priority areas in the Swedish Policy for Environmental and Climate Issues

The Government's 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 environment as both a cross-cutting issues and a sector.

The following trends can be noted:

- The trend from previous years decline in disbursements to the five priority areas is continued in 2011. The sector with the largest decline within environment as principal objective is energy where disbursements have declined from 202 million SEK in 2010 to 113 million SEK in 2011, followed by agriculture and forestry with a decline of 28 million SEK since 2010. The total amount however within agriculture and forestry has increased, while energy has dropped in total.
- The disbursements within the sectors water and urban development with environment as principal objective is relatively stable even though the total Sida support to the water sector has increased with 72 million SEK compared to 2010.

Highlights: Cross-sector integration of environment and climate change

PROVIDING CLEAN WATER IN BOLIVIA

Environment and climate has been integrated in the cooperation with Bolivia's Water and Environment Ministry through The Program for Water and Sanitation in Peri-urban Areas, PASAP, that has successfully improved poor people's access to water and sanitation. Indicators for climate adjustment have been produced in order to ensure that climate resilient water and sanitation systems are implemented through PASAP. The goal of the programme is to improve the living conditions of people living in poor urban areas through sustainable use of water and the adaptation of water and sanitation systems to cope with the effects of climate change. The programme has been co-financed with EU and had in July 2012 achieved 96.5% of the set target goals for 2011. Bolivia has increased the number of treatment plants and the number of connections to climate adjusted, environmentally sustainable and water saving alternatives. Out of the 25 included water and treatment plants, 22 have achieved operational and financial sustainability and all were strengthened in their technical, organizational and societal support capacity with the support from Sida.

HEALTH AND EDUCATION SECTOR DEVELOPMENT IN BANGLADESH

Environment and climate change issues have been integrated into both health and education development cooperation projects in Bangladesh. The country is among the poorest and most densely populated in the world and heavily affected by re-occurring natural disasters such as cyclones and floods, which are likely to worsen with climate change. Integrating environment and climate issues when planning and implementing development contributions is critical in a country like Bangladesh. Sida has contributed to this in the support to The Health, Population and Nutrition Sector Development Programme, HPNSDP, which now includes research on climate change related illnesses. Environment and climate change as well as disaster preparedness has been incorporated into primary school text books and construction of combined schools and cyclone shelters is being planned.