

Sida's Portfolio within Environment and Climate Change 2012

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 2012, Sida disbursed 2 billion SEK to contributions where environmentally sustainable development was a principal objective, which represents 12 % of Sida's total portfolio.

Main areas of support

A better environment, sustainable use of natural resources, stronger resilience to environmental impact and climate change in developing countries as well as limited climate impact are core aspects of Swedish support to environment and climate. Environmental and climate aspects are a central basis for all Swedish development cooperation and both normative and operative work are characterized by an environmental perspective.

The support to environment and climate change focus on five main areas:

- Strengthened institutional capacity;
- Food security and ecosystem services;
- Water;
- Sustainable energy;
- Sustainable urban development.

Integration of environment and climate change

Working to promote economic and social development that is environmentally sustainable is an important part of Sweden's development cooperation and Sida encourages integration of environment and climate change in all Sida's operations. In addition, specific financial support to target environmental and climate change related interventions are provided.

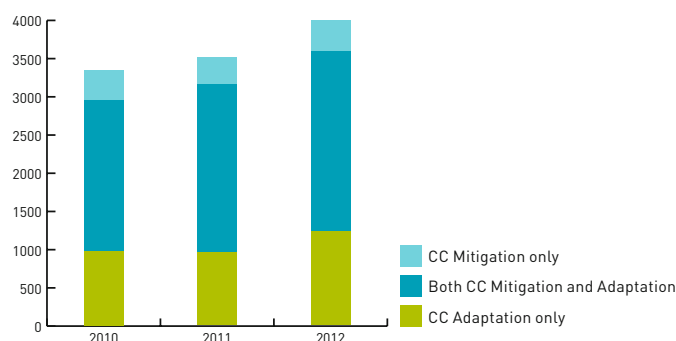
Sida uses OECDs policy markers to grade and track thematic priorities in all contributions. In 2012, 1 990 million SEK was disbursed to contributions where environment was a principal objective of the supported intervention. An additional 5 538 million SEK was disbursed to contributions where environment was a significant objective of the contribution. In 2012 almost half (45 %) of the total development support from Sida has environment as principal or significant objective, a decline from previous years but still confirming the importance of environment as both a sector and a cross-cutting priority in development cooperation.

The following trends can be noted:

- The overall decline in disbursements to the five priority areas continues in 2012.
- Within the main sector sustainable development disbursements to the water sector have more than doubled since 2011. In particular support to water supply and sanitation has increased. Up from 91 million SEK in 2011 to 430 million SEK in 2012. At the same time disbursements to energy and urban development continues to drop.

Compared to 2011, the support to climate change related interventions has increased in 2012 from 3 582 million SEK to 3 988 million SEK. The biggest increase is found in the interventions that targets adaptation (Chart 1). Of the total Sida disbursements 676 million SEK are categorized as having adaptation as the principal objective, 2 614 million SEK have adaptation as significant objective¹.

Chart 1. Disbursement in million SEK with the objective to support implementation of the United Nations framework Convention on Climate change, UNFCCC.



¹ 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 Sweden so called 'Fast Start Finance' reported to the UNFCCC. For more information on climate reporting please contact Sida.

The Swedish Government Climate Change Initiative

The Swedish Government's Climate Change Initiative, was launched in 2008/2009 and up to 2012, 1 118 million SEK have been disbursed to a selected number of long term cooperation countries and regions (Table 1). The principal objective of the Climate Change Initiative is to support long-term efforts for climate adaptation in low income countries, but the funding also contributes to the efforts of development countries to limit green house gas emissions. Most of the support is directed towards environmental policies and government 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.

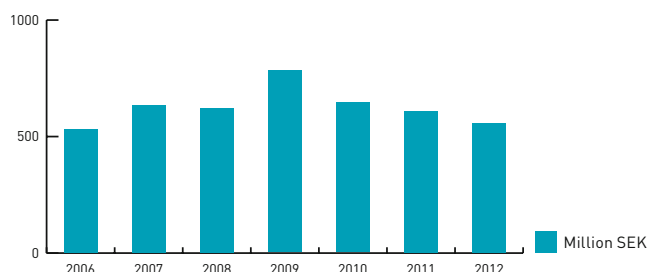
Table 1. Climate Change Initiative disbursements 2010–2012 (million SEK)

Climate Change Initiative disbursements 2010–2012 (million SEK)				
Country/Region	Total 2010	Total 2011	Total 2012	Total 2009–2012
Bangladesh	80	10	40	180
Bolivia	41,3	74,7	64,3	191,9
Burkina Faso	15	50,5	4,7	81
Cambodia	8	12,3	24,7	60
Mali	23,5	27,7	27,6	97,2
Regional Africa	57,2	59,7	140,7	357,6
Reg.Africa - WSSCC			40	40
Regional Asia	25	25	26	110
Total	250	259,9	368	1117,7

Specific Environmental focus

Environment is also supported as a sector, where Sida funds specific environmental projects and programs. Over the last six years, contributions have been rather stable and amount to a total of 4369 million SEK, with an average of 624 million SEK per year (Chart 2).

Chart 2. Disbursements to environment as a sector, 2006–2012 (million SEK)



The largest share of the disbursement in 2010–2012 went to Global Cooperation, followed by Regional Cooperation. In 2012, 59 % of the support to environment as a sector was provided at global and regional level.

The disbursements to Reform Cooperation has declined since 2011 with 56 million SEK. Disbursement to “Selective cooperation” shows a significant increase, up 7 % since 2011. There is no support to environment as a sector in conflict/post-conflict countries.

Highlights

DEVELOPING GOOD FOREST GOVERNANCE IN AFRICA
Deforestation stands for 17–20 % of global GHG emissions. Drivers of deforestation are global (agriculture and energy crops production for export) and regional/local (subsistence agriculture, infrastructure etc). To be able to control land use for the best possible outcome from livelihoods and climate perspectives good governance is essential.

Through The Council for the Development of Social Science Research in Africa, CODESRIA, Sida is supporting a research/policy development project aiming at improving good governance of forest resources in Africa: Responsive Forest Governance Initiative (RFGI). The project gathers 30–40 scholars from 8 countries in Africa for research on responsive forest governance on forest land mainly with a focus on reducing emissions from land use. The project is framed to feed into the evolving “Reducing Emissions from Deforestation and Forest Degradation in Developing

countries”-mechanism under the UNFCCC. CODESRIA cooperates with among others IUCN to include practitioners in the development of the findings of the research project into advice on how to make the REDD+ mechanism work in the best way possible.

SOLAR HOME SYSTEMS – COLLABORATION WITH THE PRIVATE AND PUBLIC SECTOR

Solar Home systems (SHS) is a renewable energy program that provides people in rural Bangladesh with clean electricity from solar panels. The programme that is operated by the World Bank is constructed to build a commercially viable system, but subsidies targeted at the poorest aim at making the initial investment possible both for the companies and the customers. At least 1,2 million SHS has been installed which has improved the quality of life of millions of rural inhabitants. It has also improved productivity and profitability of local businesses.