

Policy for environmental and climate issues

POLICY FOR ENVIRONMENTAL AND CLIMATE ISSUES IN SWEDISH
DEVELOPMENT COOPERATION, 2010-2014



REGERINGSKANSLIET

**Government Offices
of Sweden**



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Villagers work collectively with a water pipeline in their village in Tanzania.
Photo: Sean Sprague/Phoenix

Summary

This policy establishes fundamental principles and sets out the Swedish Government's general position regarding environmental and climate issues within development cooperation.

The overarching objective for Sweden's environmental and climate support within development cooperation is: *a better environment, sustainable use of natural resources, stronger resilience to environmental impact and climate change in developing countries, and limited climate impact.*

Sweden shall focus its activities on the following areas in particular:

- Strengthened institutional capacity in public administration
- Improved food security and sustainable use of ecosystem services
- Improved water resources management, greater access to safe water and basic sanitation
- Increased access to sustainable energy sources
- Sustainable urban development

The policy applies to Swedish bilateral and multilateral development cooperation. The policy shall be realised in strategies for cooperation with countries, regions and multilateral organisations.

The policy provides guidance in the development of Swedish positions and standpoints in the EU and multilateral organisations, in negotiations on relevant conventions and processes, and in the advancement of development cooperation policy.

The policy establishes that environmental and climate aspects are a central basis for all development cooperation. Both normative and operative work shall be characterised by an environmental and climate perspective.

Implementation of the policy requires the active involvement of a large number of actors - both governmental and non-governmental - in Sweden and internationally. Actions require coherence and shall be based on and support the priorities, plans and programmes of partner countries.



1. Introduction

Development and economic growth over the last twenty to thirty years have vastly improved the living conditions of people in many poor countries. A substantial expansion of the world economy has taken place, reducing poverty for a large proportion of the population. However, not all regions and people have seen such a development. Economic growth is essential to alleviate poverty and reach established development goals, but long-term economic growth must also take aspects such as environmental impact, climate change and biodiversity loss into account.

Changes in the environment and the climate have the greatest impact on people in poverty, people whose resilience to such changes is very weak. Poor people living in slums, in rural or in remote areas are particularly vulnerable, and women and children are often the hardest hit. Furthermore, the effects of climate change increase poor people's vulnerability and are already affecting their development potential and livelihoods.

International tools and mechanisms need to be further developed to be effective and be able to tackle global environmental problems, climate change and not least their impact on developing countries.

Many developing countries and rapidly expanding economies also have a limited capacity and shortcomings in their governance and management of the environment and natural resources.

Weak institutions, ineffective environmental legislation, unclear accountability, as well as corruption, poor transparency and advocacy, a lack of public access and participation and insufficient compliance with laws and other regulations, further exacerbate the situation. The absence of efficient management systems and resources has led, among other things, to the undermining of important ecosystem services¹ and an inability to guarantee access to important natural resources and biological diversity.

¹ *Functions supplied by nature that are necessary for human survival; such as fish, genetic material, bioenergy, crop pollination, air and water purification and food.*

2. The aim of the policy

This policy establishes fundamental principles and sets out the Swedish Government's general position on environmental and climate issues within development cooperation.

The policy applies to Swedish bilateral and multilateral development cooperation. The policy shall be realised in strategies for cooperation with countries, regions and multilateral organisations.

The policy provides guidance in the development of Swedish positions and standpoints in the EU and multilateral organisations, in negotiations on relevant conventions and processes, and in the advancement of development cooperation policy.

The policy establishes that environmental and climate aspects are a central basis for all development cooperation. Both normative and operative work shall be characterised by an environmental and climate perspective.

The policy shall apply until further notice, although not extend beyond the end of 2014.

A farmer in the arid parts of Senegal tries to keep his plants alive.

Photo: Carl Purcell/UN Photo



3. Overarching objective, fundamental starting-points and policy focus

3.1 Overarching objective

The overarching objective of Sweden's environmental and climate support is:

A better environment, sustainable use of natural resources, stronger resilience to environmental impact and climate change in developing countries and limited climate impact

3.2 Fundamental starting-points

Environmentally sustainable development should contribute to reducing and tackle the negative effects of environmental impact and climate change, improve living conditions, promoting gender equality and greater influence for women, as well as strengthen the resilience of people in poverty. Environmentally sustainable development is both in itself a specific millennium development goal and a precondition for the achievement of most of the others.

The policy is based on Sweden's policy for global development and its overarching objective; to contribute to fair and sustainable global development. The rights perspective and the perspective of poor people on development are central to the policy for global development. The rights perspective is clarified in the Government's policy for democracy and human rights and centres on the freedom and rights of the private individual. The poor people's perspective puts the individual at the centre and is based on their reality, experiences and priorities. The Government Communication *Global challenges - our responsibility* (skr. 2007/08:89), which represents a fresh start and concretisation of the policy for global development, forms a cornerstone of the policy. The global challenge of *climate change and environmental impact* is particularly relevant.

In its policies, Sweden shall strive for coherence between different policy areas - not just in Sweden but also internationally and within the EU. Sweden shall contribute to the improvement of conditions for poor people through its development cooperation and through our actions in other policy

areas. The policy for global development clearly states that all policy areas, within the framework of every single area of responsibility, shall contribute to the overarching objective of promoting fair and sustainable global development. Coherence with Swedish environmental and climate policy is therefore an important starting-point for the policy.

Cooperation on a bilateral, regional and global level is required in order to tackle transboundary environmental and climate issues. Coherence among all actors, in both the public and the private sector, is required to achieve good results. In addition, information must be accessible and there has to be substantial scope for participation, organisation and accountability on the national and local level in the partner country, and on the international level.

An important starting-point is a thorough consideration of development potential versus the risks of negative environmental impact. In strategies, etc., potential conflicts between objectives must be identified and proposals for how to deal with them put forward. Development cooperation shall contribute to improved societal development and build safer and more sustainable communities by reducing and tackling both present and future risks faced by women, men and children living in poverty.

3.3 Policy focus

Efficient administration and legislation as regards environmental and climate aspects in developing countries benefit people in poverty and are essential for poverty reduction. Together, they provide the prerequisites for long-term efficient use of natural resources, secure sustainable energy supply, sound management of ecosystem services, sustainable urban planning, long-term management of coastal and sea areas and safer management of chemicals to protect human health.

Contributing to good environmental conditions, including sustainable use of natural resources and ecosystems increases the opportunities for long-term sustainable economic growth and welfare, which leads indirectly to greater safety and security, peace, social equity, gender equality and health. Efficient ecosystems providing the services that contribute to diversified supply are an important component in order to strengthen the resilience of people in poverty.

Adaptation to the effects of climate change and disaster risk reduction

are essential if developing countries are to be able to meet the double-headed challenge of climate change and poverty. An overarching priority for development cooperation is to increase the capacity of vulnerable people and countries to adapt and manage risks. This capacity is built up via, for example, formal and informal institutions, access to information and resources that can be mobilised in the event of a crisis.

Adaptation measures are required in areas such as water, fishing, agriculture and forestry, health, infrastructure, energy, industry and urban development. Measures should be implemented under the leadership of national and local authorities with private businesses and civil society organisations as important actors.

Access to energy, food and water of a high quality is a fundamental prerequisite for economic and social development. However climate change is putting this access at risk. Improved energy and water supply, based on the most sustainable and carbon-neutral solutions possible, as well as integrated water resource management and better administration are therefore priority issues in Swedish development cooperation.

A man inspects the paddy fields in Chengdu, Sichuan, China.

Photo: UN Photo/John Isaac



Carbon-neutral development and the green economy², are vital in order to combat and limit global climate change. They can also contribute to giving poor people long-term access to water, food and energy and can lead to better conditions in developing countries in the form of, for example, improved health. Since women are responsible for a substantial part of the supply of food, water and firewood such a development can also contribute to improved gender equality.

Development cooperation should also be designed so as to enhance the capability and capacity of developing countries to utilise the means and opportunities made available to them - including financial resources, technology transfer and environmental investments - and to promote sustainable economic development. This also encompasses, for example, growth potential in the green economy and new resources in the form of emissions credits.

It is important in this context to act so that valuable climate-policy initiatives can be taken in line with internationally adopted guidelines on efficiency, effectiveness and equity. In the dialogue with current and potential future partner countries, special consideration shall be given to both their domestic and international climate policy ambitions. The cooperation shall be based on partner countries' plans and strategies for adaptation and climate-smart measures (NAPA, NAMA and LCSD). Predictability, transparency and cost-efficiency shall be given special consideration within this framework.

² *Carbon-neutral and resource-efficient economics, based among other things on sustainable energy supply and production.*

4. Areas of activity

Sweden shall focus its activities on the following areas in particular:

- Strengthened institutional capacity in public administration
- Improved food security and sustainable use of ecosystem services
- Improved water resources management, greater access to safe water and basic sanitation
- Increased access to sustainable energy sources
- Sustainable urban development

These areas are closely interlinked, constitute pre-conditions for each other and can be mutually reinforcing. This can lead to synergy effects among them as well as with other components of Swedish development cooperation.

4.1 Strengthened institutional capacity in public administration

Strengthened institutional capacity in public administration is a priority area of activity to fulfil the aim of the policy. It is considered and exemplified below and in the other areas of activity.

Efficient environmental management is achieved through competent, well-functioning and democratic public institutions on the regional, national and local level. By cooperating with different actors, Sweden shall support capacity-building, including the development of legislation and tools for monitoring, supervision and enforcement at environmental management institutions³ and environment-related⁴ institutions, and strengthened capacity in the environmental field among democratically elected assemblies and political actors. This shall be done with respect for local knowledge of relevance to the environmental management.

³ Institutions with a clear mandate for environmental and climate issues

⁴ Institutions with important risk management, integration, governance and implementation tasks that have a bearing on environmental and climate issues.

Sweden shall strengthen the chemicals management capability of developing countries. This may include the development, application and implementation of international and national legislation concerning the trade in, manufacture and management of chemicals as well as hazardous waste and ensuring the legislation is applied on the local level. This will both improve the health of poor people and protect ecosystem services.

Sweden shall act within and through national systems in order to strengthen partner countries' ownership and encourage the integration of environmental and climate aspects, including disaster risk reduction, into their frameworks for development planning and monitoring, as well as into poverty reduction strategies, national budgets and statistics.

Sweden shall contribute to strengthening the participation of women in decision-making processes concerning environmental and climate-related issues and to strengthen the capability of civil society organisations and political and local actors to increase public awareness, transparency and accountability.

Sweden shall contribute to facilitating the implementation of relevant environmental treaties and processes in partner countries. Sweden should also contribute to facilitating the participation of developing countries in such treaties and processes.

Sweden should contribute so that the costs of environmental and climate impact are internalised in planning, decision-making and budget processes and that correct environmental and risk assessments are carried out to achieve ecologically sustainable development. Sweden should likewise contribute so that economic instruments are designed to promote sustainable use of natural resources and fair distribution of the benefit.

Sweden should encourage the use of economic instruments that promote both investment in energy-efficient and green technology by the public and the private sector and sustainable production and consumption patterns. Sweden should also encourage the participation of developing countries in international standard-setting processes and should support the use of

environmental and social requirements in public procurement and in the procurement processes of multilateral organisations.

4.2. Improved food security and sustainable use of ecosystem services

Agriculture

The agricultural sector is one of the most important sources of livelihood and employment for poor people in rural areas. Activities that support food production and include stronger assistance to women are important in order to improve food security in regions hit by widespread poverty. It is also important to tackle the negative environmental impact of agriculture.

Sweden shall support development towards more productive and sustainable agricultural systems, including the safe management of chemicals in the sector. This will also contribute to the sustainable use of ecosystem services, decrease greenhouse gas emissions, reduce deforestation and improve the

A young girl in Tzabal in front of a pile of wood ready to sell. An over consumption of wood for cooking has affected the ecosystem of Guatemala.

Photo: UN Photo/John Olsson



income, employment opportunities and health of rural populations. The ownership and land use rights of farmers, and especially women, shall be supported, by means of, for example, strengthened legislation in this area.

Sweden should contribute to improving access to markets, information, advisory services, technical solutions and resources that promote sustainable agriculture. Research, education and training and capacity-building in the processing sector and to conform to a good sanitary and phytosanitary standard⁵ play an important role.

Sweden should highlight the adaptation of agriculture to climate change and the opportunities to contribute to reduced greenhouse gas emissions. Programmes and projects with Swedish support should take the impact of climate change on future cultivation conditions into account in order to reduce vulnerability.

Forestry

Forests are of major importance for many people's livelihoods and employment. They produce important ecosystem services and can play a key role in combating climate change. Sustainable forestry and use of the forests can also contribute to reducing the risk of disasters and facilitate adaptation.

Sweden shall contribute to climate-smart and sustainable use of the forests by means of stronger forest management and measures that discourage deforestation and safeguard forest ownership and user rights especially for poor, forest-dependent communities and indigenous populations, as well as assist in the development of national forest information systems.

Sweden should contribute to creating incentives to reduce illegal logging, not least in tropical forests, and to strengthen both legislation and market forces for ecologically and socially sustainable production of and trade in forest products.

Sweden should strive for potential synergy effects between climate adaptation, mitigation and reduced deforestation, as well as the protection of biodiversity and ecosystem services with respect for the rights and interests of indigenous populations and local communities.

⁵ Aimed at protecting people, animals and plants from diseases and harmful substances, etc.

Marine and freshwater resources

Fish and other production from the sea and freshwater represent an important source of both food and income for people in poverty. Climate change can have a substantial impact on water ecosystems and fish resources. Coastal areas also run the substantial risk of more flooding and other weather-related disasters as a result of climate change. Coastal and marine ecosystems also play a major role in regulating the climate and in combating the effects of climate change.

Sweden shall contribute to regional management cooperation, such as the planning of sea and coastal areas, the protection and sustainable use of marine and freshwater resources which should also integrate climate aspects.

Sweden shall encourage sustainable and integrated coast and resource management that favours and strengthens the rights of poor people and their long-term use of marine and freshwater resources with plenty of scope for participation and accountability.

4.3 Improved water resources management, greater access to safe water and basic sanitation

A very large proportion of poor people have no access to safe water and basic sanitation. Untreated wastewater from industry and households pollutes the water and creates an unhealthy environment that affects poor people in particular. The adverse effects of climate change on water supply are clearly visible at an early stage. Changes in precipitation patterns require major adaptation initiatives, in sectors such as agriculture and energy and water supply, in order to tackle the problems of too much, too little and polluted water.

Efficient, fair and sustainable management of water resources creates the prerequisites for economic growth and the achievement of the UN millennium goals. Sweden shall contribute to strengthening local, national and regional water resources management and assist partner countries in their work to increase access to safe water and sustainable sanitation.

Sweden should encourage partner countries to include climate aspects in their physical planning and water resource issues in their national adaptation programmes.

Sweden shall promote integrated water resources management that contributes so that people in poverty and marginalised groups can participate and hold the authorities to account when planning, deciding on and implementing water and sanitation solutions. This applies in particular to women, who often play a central role in water supply at the local level and for household needs.

Sweden shall contribute to the joint management of transboundary water resources. Cooperation on water resource issues can lead to collaboration in other areas and to regional integration, which in turn contribute to greater understanding, less tension and conflict, which can contribute to creating good prerequisites for development.

4.4 Increased access to sustainable energy sources

Good and secure access to cost-effective, sustainable and healthy energy solutions, both on the local and national level, plays an important role in the achievement of several millennium goals, including those that contribute to poverty reduction, gender equality and greater influence for women, and good health and environment.

Sweden shall contribute to increasing the access of people in poverty to energy and strive for a greater proportion of renewable energy in the energy systems of developing countries, greater energy efficiency and the use of carbon-reducing technology. To ensure this approach has an impact, energy issues should be integrated into the development and poverty reduction strategies of partner countries, aimed at sustainable energy systems that contribute to fair and sustainable development.

Sweden should promote development of energy supply systems that reduces negative environmental and climate impact. This can be, for example, hydro and windpower, solar and bioenergy and technology for increasing energy efficiency and reducing carbon emissions.

In cases where renewable energy or technology to reduce carbon emis-

sions is not a feasible alternative to meet short-term needs, Sweden can also support investments in non-renewables and other energy solutions. In these cases, however, investments must be made in the greenest available technology and have the explicit aim of reducing poverty. The long-term ambitions of partner countries to increase the share of renewable energy production, increase the use of carbon-reducing technology and decrease subsidies of fossil fuels should be strengthened.

Sweden should promote the conditions in developing countries for the production of and trade in renewable energy and in carbon-reducing technology. Biomass, including residual products from agriculture and forestry, is an important energy source. As in other areas, potential ecological and social consequences and other relevant factors must be analysed and carefully considered when taking decisions.

Energy efficiency is also important for improved energy supply in countries with low per-capita energy consumption. Improvements in energy efficiency should be stimulated by means of energy planning, regional energy trade, application of new technology and the introduction of eco-

Meenakshi Dewan from the Indian state Orissa, has been educated to handle solar panels through the organisation The Orissa Tribal Women's Barefoot Solar Engineers Association. They have had contracts to install 3 000 solar panel driven lanterns in schools and other institutions and to teach others in the villages to run them.

Photo: Panos Pictures/ Abbie Trayler-Smith



conomic instruments that promote sustainable use of natural resources and investment in green technologies and innovations.

Sweden should support the access of developing countries into the emissions trading market via climate-friendly projects in, for example, the energy and forest sector and by developing the capacity of the institutional structures needed to participate in this market. Poor people's right to development and support to small-scale initiatives should be considered when implementing these measures.

4.5 Sustainable urban development

The cities of the world are growing more rapidly than ever before, especially in developing countries. Urban areas are important for economic growth and can provide opportunities for energy-efficient, green solutions that contribute to improving the conditions for poor people and to a country's development. It is vital that global urban growth takes place sustainably in order to adapt to climate change and other challenges. Poverty, weak administrations and insufficient planning capacity, on the other hand, lead to the

In the outskirts of Bogota, capital of Colombia, the settlements of continuously arriving people from the countryside, sprawl over the mountains where there is no access to water and sanitation.

Photo: Sean Sprague/ Phoenix



emergence and growth of slums which have very little access to safe water, basic sanitation, secure energy supply and safe waste management.

Sweden shall contribute to strengthening the role of cities in economic development, risk management and poverty reduction. This can be achieved by promoting efficient and green resource use as well as new technology, recycling, safe chemicals management and by strengthened capacity for integrated urban planning and sustainable urban development based on the needs and participation of poor urban populations and with the involvement of the business sector.

5. Implementation

This section presents components that are of key importance as regards implementation of the policy

5.1 Analysis, assessment and integration

Knowledge and understanding among Swedish and international actors of the links between the environment, climate change, poverty reduction, economic growth and development are essential if the policy is to be successfully implemented. Economic growth, environmental impact, climate change effects and associated risks shall be assessed and integrated into analyses, planning, strategies, implementation and follow-up of our development cooperation with individual countries, regions and in multilateral organisations. A gender equality perspective should as far as possible be incorporated in the analyses. Sweden shall promote this approach in multilateral work.

It is important that careful consideration is given in order to create the necessary prerequisites for people in poverty to improve their living conditions with as little negative environmental and climate impact as possible. Other relevant policies must also be taken into account so that a well-balanced analysis can be carried out.

5.2 Effective cooperation

Swedish development cooperation in the environmental and climate area shall follow the principles of aid effectiveness in the Paris Declaration and the Accra Agenda for Action, both bilaterally and multilaterally.

Multilateral cooperation constitutes a central channel for Swedish development cooperation in the environmental and climate area. Sweden shall work through and support the work of multilateral organisations in the environmental and climate area and shall also promote the integration of environmental and climate concern into all relevant multilateral organisations. The application of the principles of aid effectiveness in multilateral cooperation shall be promoted.

Strong ownership by decision-makers on different levels, both nationally and locally, is a prerequisite for sustainable results on the country and organisation level. Both bilaterally and multilaterally, Sweden shall support and use national plans, processes and strategies in order to strengthen ownership in partner countries. It is important that all development cooperation, as far as possible, uses existing national systems to achieve long-lasting results. Development cooperation shall be implemented in line with and be based on the priorities, plans and programmes of the partner countries.

Within the framework of the policy's areas of activity and in dialogue with partner countries, other states and development actors, Sweden shall prioritise issues in which it delivers added value in terms of special skills, earlier involvement or capability, or in which it aims to influence the global political dialogue. An appropriate division of work with other donors is therefore desirable. Issues for dialogue can be identified in bilateral and regional cooperation strategies, in non-geographical strategies, action plans and in relevant strategies for multilateral organisations.

5.3 Financial resources

An important role for Swedish development cooperation is to channel financial resources in line with the policy's areas of activity. During the period covered by the policy, the financial needs within the various areas of activity will be substantial, not least when it comes to financing adaptation to the effects of climate change.

Sweden should endeavour to increase the scope of its partner countries to receive both public and private funding in order to adapt to the effects of climate change, reduce emissions and develop technology.

Sweden should encourage investment and funding from other actors, including the local capital market and the private sector. Sweden should support risk-reducing instruments for which the market cannot provide the necessary insurance cover by, for example, issuing guarantees. Sweden should also highlight the potential of the market and stimulate cofinancing between the private and the public sector, based on the conditions and participation of poor people.

6. Division of roles and responsibilities

Collaboration with and dialogue among many different actors in Sweden, in partner countries, regionally, and on a global level are a precondition for the implementation of this policy. These actors include individual states, multilateral organisations, civil society organisations, including youth and women's organisations, political actors and parliaments, authorities, the business sector, universities and the media.

The Government Offices in Sweden are responsible for the central support to, governance of and cooperation with multilateral organisations within the framework of this policy. The Government Offices also have the overall responsibility for dialogue and cooperation within the EU and for the work done in connection with international norm-setting conventions.

Sida is responsible for implementing this policy when it comes to geographical and non-geographical strategies. Sida also has an important role as regards cooperation with multilateral organisations and within the EU, and shall contribute its experience of bilateral, regional and multilateral development cooperation to the Government Offices.

Other central agencies such as the Swedish Environmental Protection Agency, Swedish Chemicals Agency, Swedish Board of Fisheries, Swedish Forest Agency, Swedish Energy Agency, Swedish Board of Agriculture, Swedish Meteorological and Hydrological Institute (SMHI) and the National Board of Housing, Building and Planning are responsible for implementing the policy within the framework of their activities that are funded from the development cooperation budget.

7. Monitoring and evaluation

The policy shall be monitored in the following way:

a) A mid-term review of the policy's application shall be implemented by the end of 2012 at the latest. This review shall submit proposals for any necessary amendments and additions to the policy.

b) A follow-up study of the policy shall be conducted at the end of the policy period (2014) focusing on its implementation in the various areas of activity and how environmental and climate aspects have been integrated into other areas of Swedish development cooperation.

The Government intends to follow developments in the environmental and climate area based on relevant scientific research, thematic analyses, reviews and evaluations conducted by development cooperation agencies, other agencies, Swedish civil society organisations, the business sector, international organisations and other bilateral and multilateral donors.



