

## KEY QUESTION

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## What are Sweden's strategic priorities for development?

### **Strong focus on gender equality, including SRHR; shift in allocations towards humanitarian aid**

In December 2016, the Swedish Government presented its 'Aid Policy Framework', which outlines the overall objectives and priorities of Swedish development cooperation. The document presents eight focus areas: 1) human rights, democracy, and the rule of law, 2) gender equality, 3) the environment and climate change, and the sustainable use of natural resources, 4) peace and security, 5) inclusive economic development, 6) migration and development, 7) health equity, and 8) education and research. The document also includes Sweden's priority areas for humanitarian assistance and makes special mention of the nexus between development cooperation and humanitarian assistance.

The 'Results Strategy for Global Action on Socially Sustainable Development 2014-2017' governs the funding allocations and activities of development agency Sida. The strategy is likely to be extended for a year; a new strategy is expected to be operational from 2019 onwards. The Swedish Government places a strong focus on environmental and climate change issues, particularly under the leadership of Minister Isabella Lövin, Minister for International Development Cooperation and Climate. Limiting climate impact, environmental resilience, and disaster risk reduction are core elements of the 2016 Aid Policy Framework.

Conflict prevention, under the overarching theme of 'peace and security', is a new focus area. Within conflict prevention, Sweden focuses particularly on women, peace and security, including training and integration of women in peace negotiation processes. For example, it has a national action plan for the implementation of the UN Security Council Resolution 1325, a resolution that calls for increased participation of women in peace and security efforts within the UN. In addition to gender, conflict sensitivity and resilience are systematically integrated into humanitarian assistance.

Recent trends show a growing focus of funding for humanitarian aid and for countries in the Middle-East and Northern Africa (MENA) region in response to the European migrant crisis. Humanitarian assistance is allocated on a needs basis. In 2017, Sweden will focus its support on the ongoing crises in Syria, Yemen, the Sahel region, South Sudan, Iraq, the Democratic Republic of the Con-

go, and Nigeria. In January 2017, the government approved a new strategy for Sida's humanitarian assistance for 2017 to 2020, reiterating the focus of humanitarian assistance to save lives and alleviate suffering of affected populations through the provision of emergency materials and protection actions. Sweden's humanitarian assistance also aims to strengthen the capacity and effectiveness of the humanitarian system.

Against the backdrop of the overall 'feminist foreign policy' for 2015 to 2018, Sweden's general foreign policy aims to enhance both gender equality and the full enjoyment of human rights by all women and girls. Sweden's development agency, Sida, focuses heavily on gender equality and women's empowerment. Swedish development cooperation places a strong emphasis on sexual and reproductive health and rights (SRHR) – one of the six sub-objectives of the feminist foreign policy.

### **Virtually all ODA is provided as grants; bilateral assistance focuses on government and civil society, and humanitarian aid.**

Sweden channels the majority of its ODA as bilateral cooperation (68% in 2015). According to the OECD, half of this financing went towards covering the costs of hosting refugees in 2015. In the context of the refugee crisis in Europe, Sweden took in a particularly high number of asylum seekers up until the end of 2015, especially considering the size of its population. Consequently, costs for hosting refugees have gone up significantly in recent years. As reported to the OECD, these costs have more than doubled between 2014 and 2015, from US\$1.1 billion to US\$2.9 billion.

Since 2015, the government has been using the ODA budget and other budget sources to cover the costs of hosting refugees in Sweden, and reported this as ODA to the OECD. For 2016 and 2017, the government had capped the share of the ODA budget available to cover refugee costs at 30%. Within this, some of the costs for hosting refugees were taken from the ODA budget that was originally allocated to other development sectors, and other were also absorbed by the ODA increases resulting from Sweden's GNI growth. New arrivals in Sweden have however sharply decreased. This is a result of Sweden's tighter policy on immigration, including the border controls it reinstated in 2016 – which have been extended until May 2017. With regards to the ODA budget, this decrease has

led to the reallocation of the funds that had initially been put aside for refugee costs in 2016. For 2017, the government has set ODA funding diverted to cover in-country refugee costs at SEK8.1 billion (US\$1.2 billion, 18% of the total ODA budget). This amount has been budgeted based on estimates by the Swedish Government, which foresee approximately 34,500 asylum applications per year from 2017 onwards.

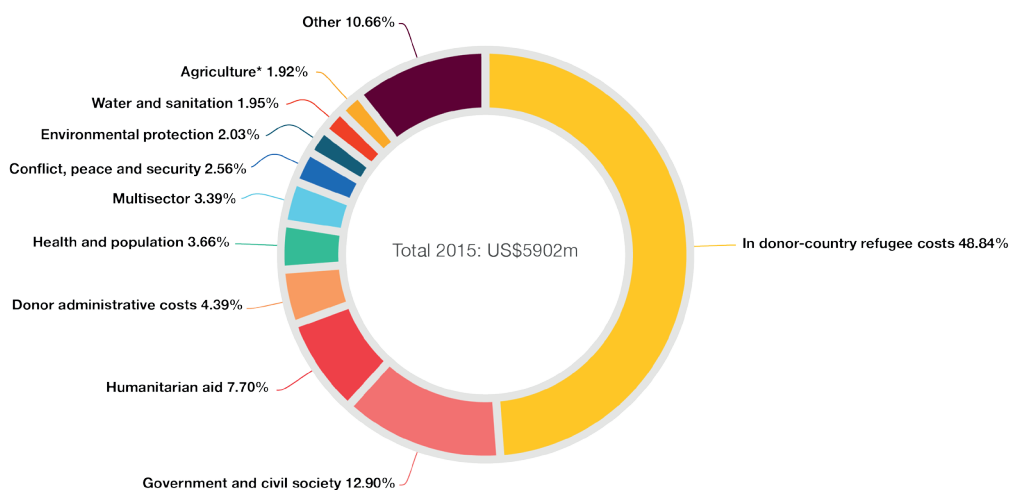
The second-largest share of bilateral ODA is allocated to interventions in government and civil society (13% of bilateral ODA, or US\$761 million in 2015). Two thirds of the funding in this area goes to projects supporting democratic participation or human rights. In this sector, Sweden relies on its civil society organizations (CSOs), as well as on international organizations and local CSOs in partner countries for the implementation of its bilateral cooperation. This is especially true for support going to countries that are not governed by democratic principles.

The third-largest share of Swedish bilateral ODA is allocated to humanitarian aid, a traditional focus of funding in Sweden (8% of bilateral ODA, US\$454 million). This share is likely to grow further as Sweden is committed to tackling the root causes of migration, particularly in conflict-affected areas. For 2017, total funding for humanitarian assistance amount to SEK5.8 billion (US\$845 million in 2014 prices); this includes SEK3.2 billion (US\$466 million) in bilateral cooperation, and SEK2.6 billion (US\$379 million) as unearmarked support to humanitarian agencies, mainly to UN organizations.

**Sweden’s key development priorities:**

- **Gender equality:** US\$255 million allocated to SRHR in sub-Saharan Africa from 2015 to 2019; a gender perspective is incorporated in all projects.
- **Conflict prevention:** Funding has shifted towards conflict-affected areas. Budget allocations to the Middle East and North Africa (MENA) region increased by 47% between 2015 and 2016, and reached over US\$152 million in 2017. Humanitarian assistance is set to reach SEK5.8 billion in 2017 (US\$845 million).

SWEDEN'S BILATERAL ODA BY SECTOR



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