

KEY QUESTIONS

the big six

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Who are the main actors in Sweden's development cooperation?

MFA decides on strategy, Sida executes

The current Swedish government, led by Prime Minister (PM) Stefan Löfven (Social Democrats; S) is composed of the Social Democrats and the Green Party (MP). It was sworn in January 2019, after lengthy negotiations following inconclusive results of the September 2018 elections. PM Löfven, on his second term in office, leads a minority government with the parliamentary backing of the Center and the Liberal parties, former members of the center-right opposition 'Alliance'. As a minority coalition, the government is under great pressure from the opposition – particularly during budget negotiations.

The Ministry of Foreign Affairs (MFA) oversees development policy and financing and decides on core funding to multilateral organizations. Ann Linde (S) leads this ministry since September 2019. Previously, she worked as Sweden's Minister for Foreign Trade, with responsibility for Nordic affairs (2019), and Minister of EU Affairs and Trade (2016-2018). She follows Margot Wallström, who held the position since 2015.

Within the MFA, Peter Ericsson (MP) has served as Minister for International Development Cooperation and Climate since January 2019. He follows Isabella Lövin (now Minister of Environment), under whose leadership environmental issues were a top focus. This is likely to continue under Ericsson's leadership, and democratic governance is likely to play an increasing role, partly as a result of strong interest from the Center and Liberal parties.

Key development-related units within the MFA include the 'Department for International Development Cooperation', responsible for overall governance and evaluation of development cooperation and for the coordination drafting the ODA budget. It also coordinates planning on thematic focuses and strategy for the Swedish development agency, Sida.

Other relevant departments are the 'UN Policy Department', responsible for support through UN organizations and thematic funds, and the 'Global Agenda Department', which coordinates the 2030 Agenda for Sustainable Development. The Global Agenda Department also coordinates and develops the feminist foreign policy, including gender-equality issues in development cooperation.

Sida manages and executes development policy implementation in cooperation with civil society organizations (CSOs), embassies, and other government agencies. Based on strategic guidelines set by the MFA, Sida and Swedish embassies develop strategies for countries, regions, and thematic areas. These are then further refined by the MFA and approved by the government. Country strategies outline key sectors and provide indicative budgets for the timeframe (usually three to seven years). Outdated strategies are usually extended at the end of every year if no new strategy has been formulated.

In 2019, Sida manages over half of Sweden's ODA budget (SEK26.1 billion, or US\$3 billion), in accordance with the strategies developed by Sida and the MFA for each thematic or geographic area. Sida is managed by a governing board, appointed by the Swedish government. Besides its Director-General (Carin Jämtin since June 2017), who is responsible for Sida's operational activities, the board includes members of public administrations, of the private sector, and of the academia. Sida has 782 employees, many of whom work at Swedish embassies, and 65% of whom are women.

Sweden's development finance institution, Swedfund, is a state-owned investment fund that supports private-sector activities aimed at promoting sustainable economic development in sectors such as energy, infrastructure, and industry. It is supervised by the Ministry for Enterprise and Innovation and provides risk capital and investment for projects that alleviate poverty in low-income countries.

CSOs play a major role in Sweden's development assistance. In 2017, a fifth of the country's bilateral ODA was channeled through them (28%), well above the average of 17% among members of the OECD's Development Assistance Committee (DAC). Sida has increased its engagement with Swedish CSOs as a way to identify new methods to deliver its bilateral programs and increase aid effectiveness. For example, Sida channels finance to organizations through 'challenge funds', which are focused on a desired development outcome.

SWEDEN'S DEVELOPMENT COOPERATION SYSTEM

