

KEY QUESTIONS

the big six

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How is the Swedish ODA budget structured?

Sida manages just over half of Sweden's ODA budget

The government is committed to allocating 1% of Sweden's GNI to ODA. This share is outlined in each year's budget, and the total of all funding sources contributing to it is referred to as the 'ODA frame'. The 2018 budget projects the ODA frame at US\$5.7 billion (in 2016 prices), or 1.0% of GNI.

The 'Budget Area 7: International assistance' covers 88% of these disbursements (SEK43 billion, or US\$5 billion). The remainder consists mainly of spending to cover the costs of hosting refugees in Sweden (US\$321 million, or 6% of the ODA frame), assessed contributions to the EU (US\$240 million, or 4%), and management costs of the Ministry of Foreign Affairs (MFA; US\$49 million, or 1%).

Sida, the Swedish International Development Agency, manages 58% of financing for Budget Area 7 (US\$2.9 billion in 2018), accounting for 51% of Sweden's total ODA financing. This funding is divided between seven areas: 1) bilateral cooperation; 2) thematic cooperation; 3) humanitarian assistance; 4) funding for Swedish CSOs; 5) research cooperation; 6) capacity development and agenda 2030; and 7) information and communication. Bilateral cooperation programs are governed by regional and country strategies, which define indicative budget allocations to specific geographies, and their focus. These strategies are developed by the Ministry of Foreign Affairs (MFA), Sida, and the various embassies, and approved by the government. The 'thematic cooperation' program entails three main envelopes: 1) human rights, democracy, and the rule of law; 2) sustainable development; and 3) sustainable peace. As for country-based bilateral cooperation, each of these areas is governed by a strategy that defines spending ceilings and main funding areas.

In addition, Budget Area 7 includes the MFA's funding lines for core contributions to UN agencies and other multilateral funds, as well as for multilateral development banks, debt relief, and 'strategically oriented grants' (see table for a detailed breakdown).

Overview : 2018 ODA budget

	US\$ millions	SEK millions
Total budget area 7 (international assistance)	5,020	42,984
Sida	2,897	24,800
Bilateral cooperation	1,441	12,340
Thematic cooperation	566	4,845
Humanitarian assistance	473	4,050
Funding for Swedish CSOs	213	1,825
Research cooperation	107	920
Capacity Development and agenda 2030	78	670
Information and communication	18	150
MFA	1,771	15,164
Multilateral organizations (UN agencies) and funds (e.g. GF, Gavi)	1,209	10,350
Multilateral development banks; debt relief	415	3,550
Strategically oriented grants	148	1,264
Other agencies	192	1,643
Admin Costs (incl. Sida's)	161	1,378
Other ODA costs	698	5,972
Costs of hosting refugees	321	2,752
EU contributions	240	2,059
MFA admin costs	49	416
Others (e.g. funding for some UN agencies)	87	745
Total ODA ('ODA frame')	5,718	48,956

Sources : Internationellt bistånd 2017 (Autumn), Sidas budgetunderlag 2017-2019