

SWEDEN

0.94% GENUINE AID/GNI

0.99% TOTAL AID/GNI



“The corona crisis is not a time for less cooperation, closed doors or protectionism. Now is the time for more international cooperation.”

Joint op ed by Ministers for Foreign Affairs, Development Cooperation and International Trade: Ann Linde, Peter Eriksson and Anna Hallberg (Dagens Nyheter, 20 April 2020)

MAIN CHANGES IN 2019

A new government formed at the start of 2019, including a four-party budget agreement on keeping the aid budget at 1% of GNI. Many Swedish political candidates to parliament and the European elections expressed a principled approach to the influence of migration policies on development cooperation. But as in the rest of the EU, Sweden’s political climate continued the trend towards more influence of restrictive migration policies on international aid. On a related issue, the government’s long-awaited account of how in-donor refugee costs will be calculated in the Swedish aid budget met criticism by civil society for lack of transparency. There was an improvement on this in the following budget.

The government-appointed Agenda 2030 Delegation presented its final report, reinforcing the Swedish commitment to policy coherence for sustainable development. In 2019, Swedish ODA was peer reviewed by the OECD DAC and on the whole received very positive remarks. Strong focus areas of Swedish development cooperation continued to be gender equality including sexual and reproductive health and rights, climate and environment, economic equality plus human rights and democracy. Sida analysed how to further strengthen the government’s Drive for Democracy initiative.

In the aid budget the trend of increased multilateral support continued, and there was an increase of Sida’s administrative budget after this was capped for some years. In the second half of 2019, a media debate on development cooperation took off when the Moderate Party, one of the larger opposition parties, abandoned its commitment to the 1% aid level and campaigned to reduce the aid budget by a third.

TRENDS AND PROJECTIONS FOR 2020 AND BEYOND

Swedish aid in 2020 will be defined by COVID-19 and its consequences. In the first half of the year, 1.1 billion SEK (around €110 million) of the aid budget was redistributed to new interventions to address the crisis. Also, many of the existing development programmes of Sida’s partners have changed focus as needed within existing programmes and strategies. Because of negative economic growth and the decision to set the aid level at 1% of GNI, Swedish aid is expected to be reduced by up to €300 million in 2021. A trend possibly affecting the aid

budget in the opposite direction is that so few refugees can arrive during the pandemic. This means that tens of millions of Euros in both 2020 and 2021 budgeted for receiving refugees might not be used and therefore will be returned to the aid budget.

RECOMMENDATIONS TO THE SWEDISH GOVERNMENT

- Continue to meet the target of 1% ODA/GNI and promote an evidence-based, active debate in Sweden on development cooperation, with a focus on its goal of improving the lives of people living in poverty and oppression.
- Intensify political dialogue within the EU and the OECD aiming to increase the number of donors committing to and providing a meaningful increase in ODA in line with international commitments,
- Promote multilateral political dialogue to advance global financial reforms to increase total financing available to build more sustainable and democratic societies in low and middle-income countries post COVID-19, including promoting better mechanisms for debt relief and for tax transparency in order to stop public funds for health and education systems from being drained.
- Continue to be a principled and long-term development partner that stands by local and national CSOs and other actors for democracy, human rights, gender equality and the environment, even in complex contexts which may require adaptation and flexibility, including democratic backsliding, crisis, conflict and climate change.

SWEDEN - GENUINE AND INFLATED AID
(€ million, constant 2018)

