

Sweden



Has Sweden established a timetable to reach the target of 1% by 2010? YES

Will Sweden meet the 1% target without inflating its aid? NGO prediction: UNLIKELY

In 2008, Sweden almost reached its target of 1% GNI, and it has committed to keep the target for 2010. However, how much of that money will be genuine aid remains unclear.

According to official figures, in 2008, Sweden increased its aid levels to 0.98% of GNI. Although this is the highest ODA figure amongst European countries, Sweden inflated its aid with refugee costs, which when discounted, leaves genuine aid levels at only 0.90% of GNI. The government has also launched a package of different climate financing policies, to be funded through the ODA budget. The Swedish government has on several occasions expressed the opinion that ODA definitions should be more flexible, particularly with regards to military and security spending.

• Aid quality

The Swedish government has approached outcome based conditionality as a way of enhancing developing country ownership and has recognised the need to streamline and minimise the number of conditions. Whilst this shift is welcome, the government does not have a clear policy for ending the use of economic policy conditionality, and still employs such conditions through its multilateral aid to the World Bank and IMF.

In the 2009 budget, the government launched a three-year climate change initiative financed with €400m from ODA funds. This new initiative is not additional to the Swedish target of 1% of GNI which is deeply concerning. It is also worrying that Sweden has not taken the lead regarding much needed international initiatives on innovative mechanisms for climate financing. Neither has Sweden endorsed the position of the developing countries to support the United Nations Framework Convention on Climate Change (UNFCCC) as the main channel for climate financing. Instead the government channels a large part of its climate funds through the World Bank (e.g.: Climate Investment Funds).

Gender equality is mainstreamed in all country strategies through the framework for gender equality in Swedish development cooperation. This means that gender equality is part of the objectives set up under the strategies. However, Sweden does not have sufficient gender based indicators in the development programmes. The Swedish development agency (Sida) has spoken of difficulties in designing such indicators, but has an ambition to improve this area in the coming years. The practice of earmarking monies for Sexual and Reproductive Health and Rights has now ended. However the 2009 budget does include earmarked funding for maternal health.

On transparency, Sweden is highly transparent and relevant documents are publicly shared. However, in some cases there is limited consultation with the parliament and NGOs.

Swedish NGOs call on their government to:

- Use the EU presidency as an opportunity to lobby member states to stand by their commitments on ODA quantity and quality.
- Demonstrate a clear poverty focus and end aid inflation.
- Refrain from advocating for a more flexible definition of ODA.
- Ensure that aid promotes and respects international principles for human rights, the environment, gender equality and democracy.
- Phase out economic policy conditions that override national democratic processes. Sweden should push for this change within the International Financial Institutions.
- Make all climate financing additional to the 1% target, push for sustainable, transparent and equitably distributed climate financing and channel climate financing through the UNFCCC.
- Actively work towards innovative mechanisms for climate financing.
- Develop gender based indicators with other European donors and recipient countries through a broad based and transparent process.

Sweden's genuine and inflated aid

