



Sida's work with the private sector

2024–2026

1. Introduction

1.1 About the sub-strategy

Inclusive and sustainable economic growth is essential for prosperity and poverty reduction. Economic development is created by people producing, trading and interacting with each other, and productive employment is the main link between economic development and poverty reduction. Therefore, Sida's work with the private sector aims to lower barriers and strengthen capabilities to enable people to fully participate in, contribute to and benefit from economic development - without limiting the coming generation's opportunities to do the same.

Sida cooperates with the private sector to achieve the objective for international development cooperation of reduced poverty and increased freedom. In order to deliver results, development cooperation must take place in markets that are relevant to Sida's target group, and where different parts of society interact and function. We work with all stakeholders that engage with markets; public sector, private sector and civil society.

The Government's agenda in *Development Assistance for a New Era: Freedom, empowerment and sustainable growth*, emphasises, among other things, that *"Development cooperation should contribute to the mobilisation of other actors – including the private sector – to engage and invest in sustainable development"*. There is therefore a need to focus and strengthen Sida's collaboration with private sector actors¹, which is the focus of this sub-strategy.

Sida's operational strategy 2024-2026 includes the internal objective *"Increased ability to interact and engage the private sector and mobilise additional financial flows"*. This sub-strategy has been developed to support this objective.

The sub-strategy sets a target for 2026 and highlights important guiding principles for how we will get there. It also describes capacities that Sida needs to develop to ensure that the cooperation with the private sector is effective and fit for purpose. Specific activities and targets will be developed in Sida's annual operational plan.

¹ Private sector actors refer to informal and formal private business, including the financial sector. It includes entrepreneurs, small, medium and large companies, local, international, and Swedish, operating in developing countries. It also includes public actors operating on commercial terms, such as pension funds.

2. Background

2.1 Strengths and challenges

Inclusive economic development is an objective included in most bilateral and regional strategies, as well as in several of the global strategies that govern Sweden's international development cooperation. Within the strategies, Sida works extensively with market development, including private sector development, trade, financial systems and employment.

It is possible to include cooperation with the private sector to achieve results within all areas of Sida's strategies.

Some of Sida's strengths in this area include:

- Our presence in a wide range of developing countries which has contributed to important **expertise and well-established contacts and networks**.
- Our experience and methods for understanding how poverty manifests itself for different groups, including who lives in poverty and what prevents people from leaving poverty in a sustainable way, our so-called **multidimensional poverty analysis**. Also, our experience of working to promote democratic development through a **rights-based approach**.
- Our ability to apply a **systems approach**, rather than focusing on individual instruments. By applying a systems approach, Sida's work can act as a lever where different market actors contribute to systemic change.
- Our experience in supporting **market development** to create conditions for trade, entrepreneurship and sustainable business that includes local actors and global value chains based on holistic thinking, sustainability and the perspectives of people living in poverty.
- Our **portfolio of methods and approaches** in which we combine our role as a funder with our ability to bring together other actors around sustainability work in partner countries and internationally.
- Our experience in **capacity development** as a method for developing institutions that create an enabling environment for entrepreneurship, trade and sustainable business.

- Our leading work in **sharing risk** with private sector actors through guarantee instruments, procurement of result-based services and competitions to foster innovation, such as challenge funds.
- Our ability to **influence regulation and policy** through expertise and international reputation. Our profile areas include human rights, gender equality and women's economic empowerment, climate and environment, sustainable energy, health and digitalisation.
- Our experience of working with and influencing **multilateral actors** such as the EU and the multilateral development banks.
- Sweden's and Sida's leading role in areas related to **innovation, entrepreneurship and new thinking in the green economic transition**.
- Our cooperation with the **Swedish resource base** within Team Sweden as well as with Swedish companies and investors.

There are also a number of challenges to harnessing the transformative power of private sector actors:

- There are **limited opportunities** for private actors to do business, invest and take risk in low-income countries and fragile contexts. Local entrepreneurs also have limited risk absorption capacity.
- Interaction with the private sector is **labour-intensive**. The number of Sida staff with experience of working with trade and the private sector is limited in relation to the ambitions and expectations.
- Sida's overall operations contain **many different priorities** to be implemented in a large number of countries, regionally and globally. Synergies between areas should be addressed in a more systematic way.
- Sida's collaboration with the private sector is relatively unknown in Sweden, which has contributed to the Swedish resource base **not being aware of the opportunities that exist**. Furthermore, Sida and the private sector use **different language and have different understandings of each other's roles and expertise**.

2.2 Framework

The boxes below provide brief descriptions of Sida's current work in (i) market development; (ii) trade; (iii) private sector collaboration and (iv) private capital mobilisation and reference to existing methodological support, which together provide a basis for the implementation of the sub-strategy.

MARKET DEVELOPMENT AND JOB CREATION

Sida's support to market development aims to create conditions for sustainable business, trade, entrepreneurship and jobs by including local actors, regional and global value chains, based on the perspectives of people living in poverty. Functioning market systems with a strong and dynamic private sector are crucial for inclusive, sustainable economic development and poverty reduction. Sida's contributions should be catalytic and act as a lever for market actors to take part in systemic change in order to achieve sustainable results and scale.

Many people living in poverty are self-employed or engage in small, often informal, business activities as a means of creating livelihoods. Sida's support to entrepreneurs and private sector actors operating in developing markets focuses on creating favourable conditions for people to contribute to, participate in, and benefit from, economic development as economic actors. This includes supporting capacity development for businesses and access to financial services for entrepreneurs, developing value chains, and strengthening the business climate in the country to make it easier for people living in poverty to earn a long-term, sustainable livelihood.

In order to achieve systemic change, Sida's support to market development takes a holistic approach and is implemented at several levels; national, regional and global. Support is targeted to those sectors, labour markets and geographical areas that are of high relevance to people in poverty, especially youth and women. This includes, in particular, people in informal employment, entrepreneurs, micro- and small-scale entrepreneurs and small farmers, who often face poor working conditions and insufficient income for their livelihoods.

More information:

[Sida's work with the private sector | Sida](#)
[Sida's work with employment | Sida](#)
[Market Systems Development Toolbox | Sida](#)

TRADE

Sida works to support developing countries' capacity to implement trade agreements as well as to strengthen production chains. Sida also provides support to partner countries in meeting international market requirements, and to develop regulations, standards and institutional capacity for local, regional and international trade. Local and regional trade and participation in global value chains is important for inclusive economic growth, private sector development, employment and improved labour conditions. Trade is also an important tool in the transition to a greener and more sustainable economy.

In order to contribute to the transition from development cooperation to trade relations with our partner countries, trade-related assistance is often comple-

mented by measures targeting other essential elements of the market and governance system, such as functioning institutions, anti-corruption measures, good labour standards, and human rights protection. Evidence shows that this helps to create an enabling environment for trade and investment, which in turn supports long-term and sustainable trade relations with partners. It also makes it easier for companies to participate in and benefit from trade. Within Sida, trade is therefore part of the broader area of market development together with private sector development and job creation.

The EU's increased ambition and regulatory framework for sustainability in global value chains is an important and positive development. It is a crucial lever for poverty reduction, and for improving conditions for sustainable business and sustainable, inclusive development. At the same time, new regulations risk making it more difficult for producers in other countries to gain access to the European market. Actors in developing countries need support in order not to be shut out of trade and risk losing employment and income.

More information:

[Sida's work with trade | Sida](#)

PRIVATE SECTOR COLLABORATION

Sida collaborates with actors in the private sector in various thematic areas in order to mobilise commitment and resources for sustainable global development. They can contribute with knowledge, capital and innovation capacity that create business opportunities and solve development challenges.

Sida works with the private sector as an actor, dialogue partner and financier for sustainable development and poverty reduction. The private sector contributes to sustainable entrepreneurship and the development of sustainable value chains, as well as to market development, entrepreneurship and trade in Sida's partner countries.

Sida has a variety of methods and tools:

- Through **Public Private Development Partnerships** (PPDPs), Sida and actors from the private and public sector in Sweden's partner countries collaborate and co-finance contributions that address development challenges linked to the sector. The aim is to create positive change in a market or in a value chain.
- Through **Challenge Funds**, entrepreneurs and innovators in for-profit and not-for-profit organisations can apply in competition for money to develop innovative products and services that contribute to sustainable development and poverty reduction.

- Sida's **guarantee programme** mobilises private capital for sustainable development. By reducing the risk of lending to vulnerable groups or for specific purposes, the programme increases access to capital or improves conditions for borrowers. This generates investments that can contribute to poverty reduction.
- **Results-based financing** links financing to pre-agreed results. It is particularly well suited to accelerate market access for business models that can help achieve objectives for international development cooperation.
- **International Training Programmes** (ITPs) are an instrument that often involves actors from both the public and private sectors. ITPs develop long-term capacity on prioritised societal issues and the programmes are particularly suited to strengthening conditions for private sector development and also trade, for example through support for sustainable procurement, sustainable mining or healthy food production.
- **Collaborative platforms** for partnerships with private sector actors and investors.
- In 2024, Sida is developing a tool for **technical assistance**. The aim is to be able to finance short-term capacity-building and consulting activities in prioritised sectors, for example, project preparation and procurement assistance.

More information:

[Cooperation and financing modalities](#)
[Sida's guarantee instrument](#)
[Challenge funds | Sida](#)

MOBILISING PRIVATE CAPITAL

The financing gap to achieve the SDGs of the 2030 Agenda is estimated to be around USD 4 trillion per year. To fill the gap, additional financing needs to be mobilised; development cooperation must therefore be used catalytically to mobilise additional resources. A significant part of the additional flows needs to come from private investment and other private sources of financing. Private flows are mainly relevant for financing activities that provide financial business-related returns.

Development cooperation can be used to mobilise private capital through so-called blended financing, e.g. guarantees that remove risk. The basic prerequisites for mobilising private capital are a functioning and well-working environment for business, investment and trade. Development cooperation that, for example, contributes to macroeconomic stability through economic reforms and sustainable public debt, or reduced corruption, can therefore have a major impact. Furthermore, trade barriers are often fundamental institutional problems that discourage foreign investment.

Development cooperation can also be used to remove other barriers to investment, for example by increasing information and data from developing countries and designing new instruments and platforms for private capital to find its way to developing economies.

More information:

[Private sector collaboration](#)

3. Purpose and desired state

3.1 How the sub-strategy is used

The internal sub-strategy is a practical document based on Sida's operational strategy and provides a common and clear picture of objectives and working methods that guides how Sida's work with the private sector should be implemented. The sub-strategy is also used in order to implement the instructions we receive as an agency. It provides support and guidance in the planning of activities within the framework of Sida's annual operational plan and the departmental planning.

The sub-strategy is based on Sida's Operational Strategy 2024-2026 and guides Sida's and the departments' planning of activities during this period. The impact of the sub-strategy is evaluated at the end of the period.

3.2 Desired state 2026

Sida utilises the transformative power of private sector actors, and their businesses, in market systems and in trade, to create preconditions for better living conditions for people living in poverty and oppression. It aims to contribute to inclusive economic development, job creation, improved working conditions and poverty reduction, both in the formal and informal sectors. Furthermore, it contributes to business development and a better business climate, to innovative solutions and financing, and to a green and digital transition.

To achieve this in 2026, we need to:

- support **business development capacity and inclusive, sustainable and functional markets for micro, small and medium-sized companies** to facilitate sustainable livelihoods for people living in poverty.
- contribute to **systemic changes** that foster a favourable environment for trade, investment and entrepreneurship in order to achieve sustainable outcomes and scale.

- strengthen the sustainability of global value chains, create better conditions for the **private sector in developing countries** to participate in and benefit from international trade and foreign investment, and support partnerships between business and other stakeholders in the field.
- increase **access to capital** for business and investment in developing economies, and develop **financial systems and access to financial services**.
- make it easier for companies and entrepreneurs - local, international and Swedish - to **do sustainable business and invest** in developing countries.
- **influence multilateral organisations and the EU** to improve conditions for business and financial actors, in the development of market systems and in trade, including on sustainability aspects in procurement and the implementation of the European Green Deal and the Global Gateway strategy, which require sustainability in the value chain.
- collaborate with **Team Sweden** to ensure that the **Swedish resource base**, not least companies, have the right prerequisites to be able to contribute to poverty reduction and reduced oppression.

4. Implementation

This chapter focuses on the implementation of the sub-strategy. First, it establishes basic principles and approaches for Sida's engagement with the private sector (section 4.1). It then describes which competences and skills we need to continue to develop in order to effectively engage with the private sector (section 4.2).

4.1 Guiding principles

The guiding principles provide direction and support in implementing the sub-strategy to achieve the target for 2026. The principles should be applied in Sida's operational activities to strengthen and accelerate our work.

1. WE ARE GUIDED BY THE PRINCIPLES OF SUSTAINABILITY, EFFICIENCY AND MARKET NEUTRALITY

What does it mean?

Sida is guided by the OECD/DAC rules about untied aid as well as EU state aid rules. We are guided by the OECD/DAC's guiding principles that cooperation with the business sector should be:

- Catalytic
- Additional
- Contributing to change at system level
- Be non-market distorting
- Be based on risk and cost sharing

Sida shall also ensure that its operations are conducted in accordance with the OECD Guidelines for Multinational Enterprises, the principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

Why is it important?

Sida's collaboration with the private sector should be characterised by sustainability, efficiency, competitive neutrality and should add value where markets themselves do not meet the needs of market participants. Markets should contribute to solutions to development challenges for people living in poverty and oppression. Where markets do not exist or function effectively, we address failures.

How do we do it?

- Partners are assessed in Sida's internal systems, including on core values, capacity to manage funds and achieve results.
- Additionality and risks of negative market distortion and breach of state aid rules are analysed in the initial phase of a new contribution.
- The Sida Sustainability Screening Framework summarises Sida's sustainability criteria and is shared with partners for self-assessment, analysis and dialogue.

2. WE RECOGNISE THE POSITIVE POWER OF CHANGE AMONG BUSINESS ACTORS AND SEEK COLLABORATION WHERE WE HAVE COMMON OBJECTIVES

What does it mean?

Sida recognises the business community as a positive force for change in many contexts and therefore seeks to collaborate with actors who share our values in order to achieve common objectives. To achieve this, we want to create conditions for the business community together with the business community.

Why is it important?

Public-private partnerships are needed to capitalise on relevant knowledge, innovation skills and capacities, and to achieve the volumes of finance for development needed to meet the world's needs.

How do we do it?

In our activities, ranging from analysis to implementation, we harness the positive force for change that can be found in the private sector. We do this by gathering knowledge from, and engaging with, informal and formal businesses, entrepreneurs and financial market actors. We interact with local, international and Swedish markets.

We work with private sector actors who share our core values, thereby increasing the potential for sustainable business that delivers development results and positive systemic impact.

3. WE START FROM NATIONAL NEEDS AND USE A SYSTEMS APPROACH

What does it mean?

Sida uses a multidimensional poverty analysis to identify areas where we can have the most significant impact and where public and private actors are needed to address development needs. To design effective solutions to development problems, we need to understand the economic, political and social systems in which we work and interact with the private sector, and how they affect our target group; people living in poverty and oppression.

Why is it important?

Cooperation with the private sector aims at lasting and sustainable systemic change. Through a thorough analysis of national needs and with the help of country-level expertise, we can identify relevant development challenges and initiate contributions that make the most difference for people living in poverty and oppression. The analysis can also inform Team Sweden to induce further action based on respective organisations' mandate and role.

How do we do it?

Relevant contributions based on a poverty analysis are identified on an ongoing basis in our activities, during operationalisation and decisions for contributions.

4. WE DEVELOP FUNCTIONING MARKETS TO CREATE JOBS AND REDUCE POVERTY

What does it mean?

Developing functioning market systems with a strong and dynamic private sector is crucial for inclusive, sustainable economic development and poverty reduction.

Why is it important?

Many people living in poverty are self-employed or run small, often informal, companies as a way of creating livelihoods for themselves and others.

How do we do it?

Sida's support to private sector actors operating in markets in developing countries focuses on business development capacity and access to financial services, developing value chains, strengthening the business climate and increasing the capacity to participate in and benefit from international trade. Sida also supports strengthening institutions that can improve the conditions for market system development.

Sida uses a systems analysis approach when designing and implementing contributions. The Market Systems Development (MSD) approach can be used in all thematic areas when considering market system development contributions. Methodological support for market development through the MSD approach is available to all staff and partners [\[Market Systems Development Toolbox | Sida\]](#)

5. WE HARNESS THE POWER OF ENTREPRENEURS AND ENTREPRENEURSHIP FOR SUSTAINABLE DEVELOPMENT

What does it mean?

Entrepreneurs and entrepreneurship play a central role in starting, running and developing business initiatives within large established companies or as new small businesses.

Entrepreneurship involves identifying opportunities, managing risks, mobilising resources and creating value through business activities.

Why is it important?

Many people living in poverty are self-employed or engage in small, often informal, business activities to create livelihoods for themselves and others. Entrepreneurship serves as a way for people to lift themselves out of poverty by starting their own businesses and improving their economic situation.

Entrepreneurs often introduce new ideas, technologies and business models that can contribute to greater freedom and sustainable growth. By developing new products and services, entrepreneurs can contribute to increased efficiency, diversification of the economy, and increased international trade and revenue for the country.

How do we do it?

Sida provides services needed to start or expand businesses. This can include, for example, guarantees for small business loans, technical assistance or seed funds for innovative start-ups.

Sida is also working to improve access to training and mentoring programmes to strengthen entrepreneurs' business knowledge and leadership skills.

By facilitating access to local and international markets, Sida can help entrepreneurs find buyers for their products and services. This can include providing market information and facilitating business partnerships.

6. WE SUPPORT BUSINESS TRANSACTIONS TO PROMOTE SYSTEMIC CHANGE IN COOPERATION WITH THE BUSINESS COMMUNITY

What does it mean?

By supporting business transactions, we incentivise systemic impact and direct development results.

Why is it important?

Business transactions provide incentives and are a strong driver for both private and public partners.

The results of business transactions can be direct, e.g. access to jobs, or indirect and system-changing, e.g. through business transactions creating incentives for market actors to make demands on changes in policies.

How do we do it?

We work in a demand-driven way and in close cooperation with relevant actors throughout the chain, before, during and after a business transaction:

- **Before:** We support institutional development that creates the conditions for, and facilitates, business transactions and other market environment conditions to make it easier for business transactions to take place.
- **During:** We work with actors directly linked to a business transaction, such as entrepreneurs, business owners, investors, project and business developers.
- **After:** With the business transaction as a hub, we support systemic impacts, for example by promoting business-led initiatives that address complex sustainability challenges such as corruption, working to simplify authorisation, or advocating for legislative and regulatory change.

7. WE ALWAYS EXPLORE THE POSSIBILITY OF USING FUNDS FOR DEVELOPMENT ASSISTANCE CATALYTICALLY

What does it mean?

Where strategic and effective, we use funds to catalyse and mobilise the transformative power of private sector actors to harness their ability to contribute knowledge, capital, innovation and entrepreneurship to solve development challenges. Financial and capital market development, internationally and in developing countries, is an important part of this work.

Why is it important?

The SDGs and the Paris Agreement require catalytic partnerships, not least between the private and public sectors, to increase capacity and reach the necessary volumes of finance for development.

How do we do it?

In our operations, when operationalising and deciding on contributions, we always explore the possibility of using development funds to catalyse further commitment and resources for development. To support this, we use available tools and methodologies, such as Sida's Investment & Mobilisation Toolbox.

8. WE UTILISE THE POWER OF CHANGE IN THE SWEDISH BUSINESS COMMUNITY AND INCREASE COOPERATION WITH THE ACTORS IN TEAM SWEDEN

What does it mean?

We seek, where possible, to collaborate with Swedish companies, investors and entrepreneurs, to contribute to business activities that create pathways out of poverty and increased freedom for people living in poverty. Team Sweden is a platform where Swedish authorities and other state-funded actors collaborate in a country, or within a sector or project, based on their respec-

tive mandates and roles. Actors of particular interest for Sida are, in addition to the Swedish government's offices, the Swedish Institute, Business Sweden, the Swedish Export Credit Agency, the Swedish Export Credit Corporation, Swedfund and the National Board of Trade Sweden.

The Swedish presence can take place within the framework of international actors and within value chains linked to trade. The interest of Swedish actors is often linked to the volume of the market. Therefore, the best conditions for collaboration are in developing countries with larger economies, and within the framework of regional cooperation.

Why is it important?

Swedish companies, investors and entrepreneurs are knowledgeable and even world leaders in several areas that can contribute to sustainable development. In addition, they often also have high standards for environmental and social responsibility and decent labour conditions, gender equality, women's economic empowerment, and anti-corruption.

Better interaction between development cooperation, export, import and investment promotion can improve the conditions for sustainable development in developing countries through increased trade and investment.

How do we do it?

Sida seeks collaboration with the Swedish business community in connection with both large business opportunities and with small and medium-sized companies and entrepreneurs.

We work with business organisations such as the International Council of Swedish Industry (NIR) and the Swedish Leadership for Sustainable Development (SLSD), an initiative led by the Confederation of Swedish Enterprise, and the Swedish Investors for Sustainable Development (SISD).

Within Team Sweden, Sida contributes with knowledge about business opportunities and e.g. infrastructure projects, and provides advice and support to manage political, financial and other business risks in order to enhance development impact. Sida often has access to local networks of importance to Team Sweden actors and companies.

The EU and multilateral development banks are important for the work in Team Sweden. Sida has established contacts and knowledge for this purpose, for example regarding international procurement and project financing through Global Gateway. We actively contribute to the implementation of the EU's Global Gateway strategy through involvement in Team Europe Initiatives.

4.2 Competences, methods and learning

This section focuses on how our competences, methods and learning need to be further developed in order to reach the desired state in 2026.

ORGANISATIONAL SKILLS

This means

We need to strive towards "One Sida" and work more strategically across units, functions and strategy teams, in order to capitalise on our combined expertise to engage with private sector actors, both bilaterally and multilaterally. We also need to strengthen collaboration between Sida headquarters and embassies.

Allocating adequate resources and creating good incentives and follow-up systems that support a transition to reach the desired state of the sub-strategy are crucial. Among other things, Sida's allocation of administrative resources needs to give greater weight to the development effects of activities rather than to the allocation of funds.

STRATEGIC AND OPERATIONAL ANALYSIS SKILLS

This means

We need to strengthen our **strategic analytical capacity**, based on multidimensional poverty analysis, to identify challenges and opportunities where the private sector can be an important part of the solution to combat poverty and oppression. Analytical capacity includes the ability to utilise synergies, for example, between global, regional and national levels, and the ability to draw on private sector expertise and experience.

Operational analytical capacity is about being able to act quickly and responsively, within a strategic approach, to seize opportunities and bring partners together to find common solutions.

UNDERSTANDING OF ACTORS

This means

Sida needs to be able to utilise the knowledge and commitment of private sector actors and understand the conditions that they have in different contexts, in countries, internationally and in Sweden. The conditions are different in different areas and for different types of actors: from established international companies to entrepreneurs in the informal sector in developing markets. Therefore, we need to meet the private sector, in partner countries and in Sweden, in dialogues, processes and partnerships in order to achieve development results. We also need to understand the actors we collaborate with to engage the private sector, including multilateral banks, the EU, civil society and Team Sweden.

ABILITY TO USE AND DEVELOP METHODS

This means

We need to ensure that Sida's staff and managers have knowledge and support to apply appropriate methods to mobilise the power of change among private sector actors. We also need to continue to develop new and adapt existing methods.

The specific needs for methodological development and support will be identified during the implementation of the sub-strategy. At this stage, in 2024, we have identified the following areas as particular priorities:

- We need to strengthen our methods so that the priorities identified in the multidimensional poverty analysis, when operationalising strategies, are reflected in implementation at the national level. The analysis process and its conclusions need to be clearly linked to the development of markets, trade, employment and work with the private sector and finance for development. Inspiration for further methodological development can be drawn, for example, from the "Toolbox" developed to support the mobilisation of private capital.
- Methods to strengthen the capacity of partner countries and companies to meet increased demands for transparency and sustainability in supply chains.
- Support for project development facilities to support investment and trade development. Support can cover the whole chain from innovation, early business development, establishment and maturity to commercially viable operations.
- Project finance guarantees to support infrastructure investment and trade.
- Strengthening of challenge funds to develop, for example, synergies with the guarantee instrument and performance-based funding.
- Team Sweden collaboration to increase synergies between development cooperation and trade, including a review of sustainability criteria to ensure compatibility with those used by collaborating actors.

ADVANCED TECHNICAL AND THEMATIC SKILLS

This means

Certain technical capabilities are particularly important for creating the conditions for a profitable and inclusive private sector and trade that contributes to poverty reduction and increased freedom. Therefore, we need to ensure in-depth technical capacity in areas such as global supply chains, trade rules, financial market development and project financing, MDB procurement and digitalisation. An internal gap analysis should be carried out as a basis for methodical and long-term skills provision.

Sida has the ambition to engage the Swedish resource base, not least Swedish companies, to an even greater extent. Thematic capacity is therefore important in areas that are often prioritised by our partner countries and where Swedish companies are competitive, e.g. green and fair transition, digital transition, transport and mobility, energy (generation/storage/transmission), critical minerals and health/life science.

ABILITY TO INTERACT AND COMMUNICATE

This means

In order to engage effectively with the private sector and related actors, Sida needs the ability to engage in dialogue, understand what private sector actors want, communicate strategically, facilitate and broker contacts, conduct project work, advocacy and teamwork, and build and manage partnerships.

We also need to be better at communicating what Sida can contribute with and be clearer in our external communication about the results of Sida's work within the field.