Sida's sub-strategy for digitalisation 2024–2026

Within Sida's organisation, partner cooperation, and development cooperation

1. Introduction

1.1 What is the sub-strategy about?

Digitalisation is changing the world. The United Nations has identified digitalisation as one of five megatrends for the coming 75 years.[1] In September 2024, UN Member States adopted the Global Digital Compact (GDC). The GDC is a comprehensive framework for global governance and cooperation on digital technologies and artificial intelligence with the purpose to ensure an open, safe and secure digital future for all. Over the past 10 years, Sida has contributed to the global dialogue in this area, that has laid the foundation for the GDC.

The Swedish Government's reform agenda, "Development assistance for a new era – freedom, empowerment and sustainable growth", expresses the ambition to strengthen the long term sustainability, transparency and effectiveness of development cooperation. Digitalisation have the potential to contribute to the transformation of development cooperation in line with this agenda. Hence, it is a tool for creating the conditions to improve the living conditions of people living in poverty and oppression in the direction pointed out.

There is a clear expectation from the Swedish Government that the Swedish public sector will manage the opportunities and risks within digitalisation, such as AI and digital security. The governance and regulation in digitalisation is developing rapidly. A strong ability to keep abreast of geopolitical developments is needed to ensure that human rights are respected, and that digital divides are reduced. This affects both Sida's work, and the conditions under which our partners operate at national, regional, global and EU level.

Internally and in partnerships, Sida's work is dependent on the organisation's ability to use secure digital solutions for efficient processes and communication. Digitalisation can be a powerful tool for Sida's overall operational development.

The purpose of the digitalisation sub-strategy is to provide an overall picture and suggest focus areas, to facilitate the implementation of digitalisation in development cooperation, within the organisation itself, and within partner cooperation. The sub-strategy's point of departure is its mission from the Swedish Government and the Global Digital Compact. The sub-strategy is based on Sida's operational strategy 2024–2026 and guides annual operational planning[2]. It will be evaluated within two years. Activities and deliverables are identified within the process for operational planning, and will be monitored quarterly and annually.

The sub-strategy also provides a foundation for communication and dialogue with external partners, both in Sweden and internationally, as well as with the Swedish government.

2. Current situation and background

2.1 Digitalisation in development cooperation

Digitalisation in development cooperation strives to be inclusive, sustainable, rights-based and secure. This, in line with the GDC, with the aim of improving the living conditions of people living in poverty and oppression in Sida's partner countries, regions and globally. It also aims to use digital technologies to enable development impact in all other thematic areas.

The vast differences in internet use and digital technology uptake between countries and groups of people is known as the digital divide. Internet coverage, costs and the lack of relevant and reliable services contribute to the digital divide,[3] which hampers economic and social development. It also exists between age groups, between urban and rural areas, and between men and women.[4] The digital divide risk to significantly exacerbate global inequalities.

Mismanagement of digitalisation can also bring about negative impacts such as e-waste, cyberattacks and technology enabled gender-based violence.[5] The internet and social media have created new opportunities for people to organise within and across borders. At the same time however, it has opened the doors to new forms of surveillance and oppression. This can pose risks to democratic processes and institutions, as well as the escalation of violent conflicts.

1 Shaping the trends that shape our world, United Nations, p. 2. Downloaded from UN 04/04/2024
2 In addition to this sub-strategy, a plan and guidance for IT has also been drawn up to create an effective operational environment and harmonised, secure IT delivery within Sida's organisation (referred to as "Sida Bas").
3 Begazo, Tania, Moussa P. Blimpo, and Mark A. Dutz. 2023. Digital Technologies: Enabling Technological Transformation for Jobs. Washington, DC: World Bank in Digital Progress and Trends Report 2023 (worldbank.org) p. 5 & p. 32
4 See Operational Strategy 2024-2026 objectives E.1 and E.5
5 Tech-facilitated gender-based violence, UN Women – Headquarters, p.1 Downloaded from UN 07/04/2024

This in a context of long-term global deterioration of democracy and freedom.[6]

Digitalisation has become central to geopolitics. There is intense competition for leadership in relation to technologies such as AI and quantum computing, as well as the building of 5G networks in many of Sida's partner countries. Linked to this is the trade and extraction of raw materials for the production of electronics and batteries. Sweden and Europe have strong global positions in certain areas, such as mobile networks and submarine cables. A small number of companies, mainly from the United States and China, lead in the global market through their social media, search and cloud platforms. Their strong positions complicate the growth of local alternatives in Sida's partner countries, for example by hindering the emergence of local data centres.

The EU has been leading the development of regulation of new technologies, and has a great opportunity to strengthen regulation, institutions and the availability of risk capital in many of Sida's partner countries. Another opportunity is the growing political will at the multilateral level, to find common paths and goals to ensure that digitalisation benefits everyone. This is demonstrated in the UN GDC, the EU Digital for Development (D4D) hub and the EU's Global Gateway initiative and provide international platforms for cooperation in digitalisation in development cooperation.

Sida has around 140 contributions that include digitalisation to varying degrees.

Sida is contributing to digital foundations through a range civil society organisations and to contributions and partnerships, such as support for companies develop digital services. Through Sida's contributions, we also strengthen the capacity of partners to regulate telecommunications both in terms of security and well-functioning markets.

Sida supports global policy dialogue related to normative frameworks to promote sustainable, inclusive and rights-based digitalisation (e.g. within the EU and the UN). This long-standing work is an important foundation for securing agreements such as the GDC.

Sida, thus, has a solid ground to stand on, but to fully harness the transformative power of digitalisation in development cooperation, Sida will concentrate its efforts on a limited number of focus areas (see section 3.2).

2.2 Digitalisation of the organisation

Sida's ability to harness the potential of digitalisation has increased. The Agency for Digital Government's (DIGG) annual survey measuring the public sector's digital maturity shows that Sida has gone from an index of 30 to 72 during 2021–2023, based on an index of 0–100. The digitalisation initiatives undertaken in recent years, including new recruitments, a digitalisation programme, steering signals in the operational plan and external visibility in selected profile issues, have increased Sida's ability to take advantage of the benefits and effects of digitalisation. The pandemic has also given a boost to digitalisation. These concerted efforts in recent years have strengthened our digital maturity as an organisation. In particular, we have improved our performance in the following areas: "driving dialogue and partnerships for digitalisation" and "using data strategically with integrity". However, to achieve further digital maturity, Sida needs to increase its ambition in coming years in areas such as competence, technical capabilities, operational development, strategic partnerships – areas which are crucial to achieving the goals of the sub-strategy and to increasing the use of AI and data-driven ways of working. This is especially true given the accelerating technological development, combined with employees' demands for modern working environments and the Swedish Government's requirements for efficiency, service and transparency in public administration.

The digitalisation work for Sida's organisation in 2019–2023 has included the development of external and internal platforms and the introduction of new digital collaboration tools to facilitate teamwork in Sida's organisation. The digitalisation work has streamlined and automated parts of our core processes through measures such as digital decisions, digital signing of supplier contracts and contribution agreements, a feasibility study to initiate work on streamlining working methods and processes regarding the preparation of guarantees, a pilot of robotisation (RPA – Robot Processing Automation) of HR decisions and a chatbot for questions about overseas postings. In the area of data, Sida has modernised and streamlined data storage and analysis environments and developed data-driven tools for employees. In addition, Sida has explored and tested AI and machine learning solutions that enable program officers and policy specialists to find answers to specific questions about contexts or themes in the contribution management process more quickly and easily.

Communication, dialogue and skills-building activities aimed at increasing Sida's digital capacity have been conducted within the framework of Sida's digitalisation programme. See Sida's playbook for the digitalisation programme, where we have collected and shared thoughts, lessons learned and results from digitalisation work conducted at Sida between 2020 and 2024. A digitalisation pulse, seminars on AI together with partners, and several e-courses on digitalisation are examples of activities that have resulted in more people having a better understanding of digitalisation. Sida's employees and managers express a need to learn more about the opportunities and risks of digitalisation, specifically in relation to

6 The Mounting Damage of Flawed Elections and Armed Conflict, p. 3 Downloaded from Freedom House 05/04/2024

AI and development cooperation.[7] AI also has unique characteristics compared to broader digitalisation that place even greater demands on how Sida works in a structured manner with necessary focus areas in AI, such as continuous skills enhancement, strategic partnerships around AI, agile management of user needs and structured data governance.

Sida will continue to streamline its internal processes and further develop user-friendly digital tools. The contribution and strategy processes, Sida's core activities, have great potential for streamlining to free up time for analysis and follow-up and thereby improve the quality of the work. For example, there are possibilities for simplifying the process for contribution agreements, such as automating manual time-consuming tasks by utilising structured data and AI-based solutions. This is in line with Sida's Governmental mandate of increased efficiency, performance monitoring and transparency.

Digitalisation has consequences on how work is organised and performed, which in turn affects employees. Digitalisation creates flexibility and can streamline and simplify complex processes, ensuring that quality and safety are built into the foundation of public administration.

Technology and the potential of digitalisation can be harnessed to enable innovative contributions and develop effective teamwork and learning that support the performance of our activities. Effective digitalisation also strengthens Sida's role as an employer in terms of working environment, leadership and employeeship.

2.3 Digitalisation for partner cooperation

The expectation that Sida, as a government agency, should be able to provide digital services to its partners for the effective implementation of aid is increasing in line with the rest of society's digitalisation. Sida's partners have different capabilities in terms of digitalisation.

Sida must support our partners with expertise to ensure that cooperation is effective. The digitalisation of cooperation with Sida's contractual partners has been ongoing for a number of years, first with the development of the Partner Portal and then with preparatory work for a broader approach that also includes Sida's employees' part of the partner cooperation through the project "Streamlined Contribution Management".[8] Sida is working on capacity building through courses offered to partners by the Sida Partnership Forum (SPF) to strengthen partners' work with digitalisation in development cooperation and in conducting contributions.

Sida also aims to provide standardised solutions in the future, such as a digital entry point in cooperation with Sida. In 2022, Sida launched the first version of such an entry point, the Partner Portal. This includes a reporting function for easier cohesive reporting for civil society organisations. However, the positive impact of the Partner Portal has been limited and the work will therefore continue in the coming years so that the intended effects can be realised. A user needs assessment that was carried out by the Partner Portal project back in 2018 identified, among other things, the need for streamlining and clarification of:

- Sida's requirements when applying for aid;
- How Sida communicates internal working methods and processes;
- Problems arising from continuous staff rotation;
- The importance of in-depth dialogue with partners;
- How changes in working methods can make Sida's internal work more efficient.

3. The purpose, objectives and focus areas of the sub-strategy

The purpose of the digitalisation sub-strategy is to provide a framework of objectives and priorities to facilitate the implementation of digitalisation in development cooperation, for partner cooperation and in Sida's organisation. The sub-strategy expresses approaches and guideposts for Sida's operational development and development cooperation on behalf of the Government and how Sida contributes to the implementation of the GDC. The sub-strategy also provides a foundation for communication and dialogue with external partners, both in Sweden and internationally, as well as for Sweden's government and Ministry of Foreign Affairs.

Sida's vision is that by 2026, Sida will have a *"Increased capacity to harness the opportunities of digitalisation in Sida's operations, partner relations and development cooperation"* with the aim of improving the living conditions of people living in poverty and oppression by taking advantage of the opportunities of digitalisation and managing its risks.

The focus of digitalisation within development cooperation is to build secure digital foundations and integrate digitalisation as a methodology in Sida's contributions, develop our partnerships with civil society, the business community and public actors, and further develop policies and methods for analysis, strategy implementation, synergies and coordination.

7 See Sida's internal skills gap analysis.
8 Business case Streamlined contribution management (Business case Enklare insatshantering)

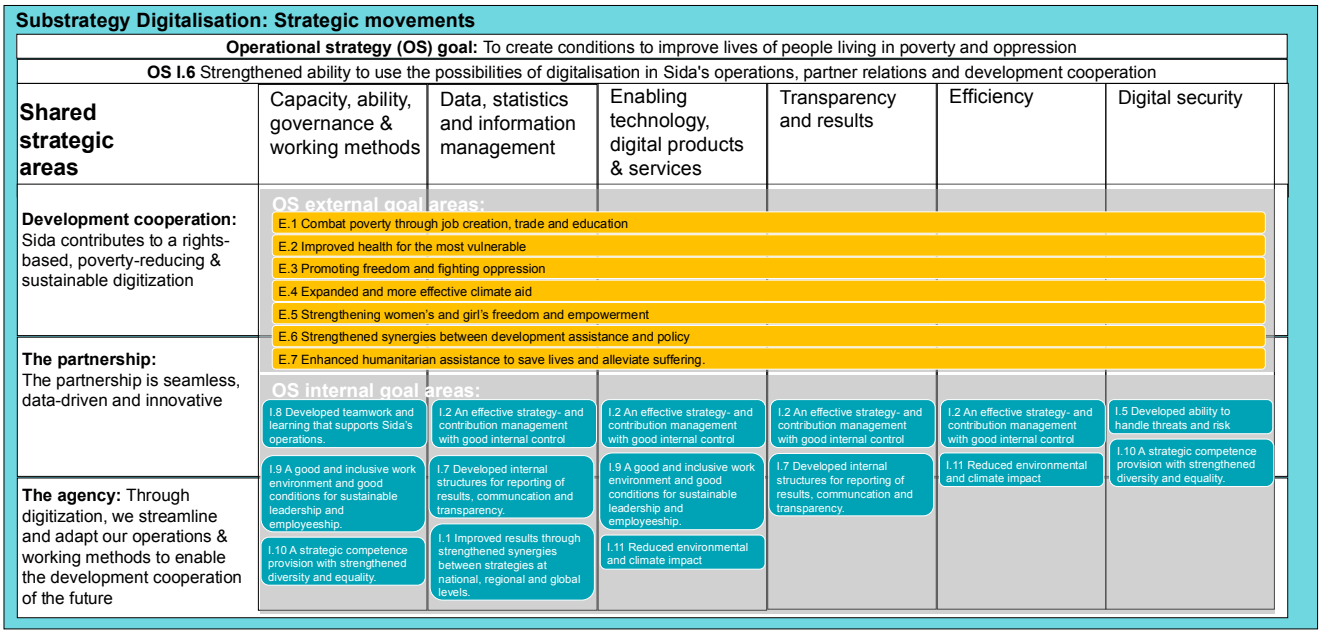
The focus of digitalisation in Sida's organisation is to develop and streamline operations, and to pave the way for the development cooperation of tomorrow. Digitalisation is also a prerequisite for ensuring that Sida remains an attractive and modern employer that can attract and retain the right skills sets.

The focus of digitalisation for the partner cooperation includes establishing user-centred work, a data-driven working methodology based on digital collaboration and Sida taking on a greater facilitating role with its partners to, among other things, create dialogue, networks for experience exchange and offer capacity development.[9] A key part of this work is the proposed initiative "Streamlined contribution management and partner cooperation".

As the model below shows, the strategy has identified six common strategic areas (see figure) that cut across all areas of Sida and contribute in different ways to the fulfilment of Sida's external and internal objectives in the operational strategy: Capacity, ability, governance & working methods; Data, statistics and information management; Enabling technology, digital products & services; Transparency and results; Efficiency; and Digital security.

In addition to these Sida-wide areas, the sub-strategy has identified specific focus areas for development cooperation (see section 3.2). There, the strategy highlights areas that have a particular bearing on activities concerning Sida's partner countries and global processes that drive development cooperation. These areas are based on analyses, target groups and working methods that are relevant to development cooperation and Sida's development offering.

Where relevant and where there is added value, Sida will capitalise on the links that exist between the digitalisation of Sida's organisation and the work that takes place in development cooperation. In an initial phase, however, it is important to focus on strengthening each area to build a solid foundation and good conditions for scaling up the work.



3.1 Common strategic focus areas

3.1.1 Capacity, capability, governance and ways of working

Working in an evidence-based manner, Sida will strengthen its capacity to understand the opportunities and risks of digitalisation, as well as the ability to capture the benefits and impacts of digitalisation. We will understand our partners' capacities for sustainable and rights-based digitalisation and be able to inspire our partners when it comes to the opportunities of digitalisation and managing its risks. In this context, digital capability refers to the knowledge, culture and methodology associated with operational analysis and digitalisation.

The ability to understand digitalisation as a method for operational development and effective management and as a tool for development cooperation must be integrated broadly throughout Sida's organisation so that digitalisation can fully contribute to Sida's operational goals. We will work more strategically between departments, units and teams, but also to a greater extent with the foreign missions, other external actors and international forums. We will

9 For more detailed information about this, see "The digitalisation programme's design and strategy work for digital partner cooperation of the future" (Digitaliseringsprogrammets design- och strategiarbete för framtidens digitala partnersamarbete).

also explore ways to strategically coordinate the work between digitalisation in development cooperation, for partner cooperation and within Sida's organisation. This is crucial in order to be able to capitalise on the opportunities that digitalisation offers in Sida's operational development and development work. We aim to have an organisation that strengthens cross-cutting cooperation and strategic partnerships between capabilities in digitalisation, technology and AI with other areas of expertise such as law, health and environment/climate to learn from successful organisations in AI and digitalisation that have cross-functional teams and strategic partnerships with different types of competencies.

In the operational departments, a deeper understanding of digitalisation within the geographical or thematic context is needed in order to integrate digitalisation into the contributions. The thematic network working with digitalisation will strengthen its capacity, reach and cross-thematic interaction with other networks.

This area contributes to the following operational objectives: E1–E7, I.8, I.9, I.10

To achieve this, we will focus on the following in the period 2024–2026:

- Digitalisation will be based on a broader and formal organisational-wide operational development model for Sida. The dialogue between operations and those responsible for digitalisation must be defined in a clear process. Sida's Operations Council and the operations developers in all departments play an important role here by
  - Identifying the user needs for digital support for operational planning and follow-up.
  - Developing Sida's operational development by establishing a smooth chain of command for operational development, including digitalisation that addresses objectives, benefits, priorities, ambition and risk appetite in the area, and identifying a model for a user-centred approach based on clear user needs.
  - Using Sida's Competence Supply Plan[10] to build digitalisation capacity through recruitment, skills enhancement and retention of key competences.
- Sida's thematic network for Strengthened Digitalisation will increase capacity across the organisation and leverage cross-thematic interaction through other Sida networks.
- Increasing Sida's ability to navigate the geopolitical conditions surrounding digitalisation in our partner countries, regionally and globally.

3.1.2 Data, statistics and information management

Sida will strengthen its ability to use and life-cycle manage information assets (data). Information and information management, as well as the technical infrastructure, create conditions that promote increased use of AI. Information must be identified, well described, of high quality, classified and accessible. Then it can provide benefits: security, well-informed decisions and streamlining of Sida's operations. To achieve this, we must establish continuous, coordinated and systematic data and information management work.

Sida will improve the structured statistics for digitalisation in development cooperation to provide better opportunities to follow up the extent to which and how digitalisation is part of Sida's development cooperation. Sida must establish data analysis as a natural part of the organisation's processes, and build up skill sets, computer literacy and confidence in the quality of Sida's data. The organisation must have the ability to use available data to make well-founded decisions in its operations. This will enable Sida to benefit from data analytics – including machine learning and automation – and to obtain more knowledge-based information, not least in performance reporting. To succeed in this, we need to increase skills and data literacy across the board.

This area contributes to the following operational objectives: E1–E7, I.1, I.2, I.7

To achieve this, we will focus on the following in the period 2024–2026:

- Developing an organisational-wide information model and cohesive information management.
- Carrying out broad skills enhancement initiatives with information management and computer literacy throughout Sida's organisation.
- Carrying out targeted skills enhancement initiatives in data science, AI and machine learning.
- Ensuring the proper technical and organisational conditions are in place for effective data analysis.
- Continuing to automate data sets and support for text analysis.
- Strengthening work on information management, data and AI by actively supporting the development of a national infrastructure for data sharing, development, training and application of AI-based solutions.
- Statistics on Sida's contributions with digitalisation components (size and composition) will be developed.

10 Sida's competence supply strategy 2024–2026 (Strategi för Sidas kompetensförsörjning 2024–2026).

3.1.3 Transparency and results

Sida will strengthen its ability to report results and increase transparency in development cooperation. This involves a major reorientation and a considerable increase in ambition. It requires well-functioning information management, security awareness and meaningful methods for identifying results, as well as technical support for external display of different types of information. This will allow us to transparently show what is paid where, why, by whom and with what results,[11] in line with the strategy's objective of enhanced internal performance monitoring, communication and transparency.

To achieve this, we will further develop information management internally at Sida, work with our partners, develop methods for identifying results along the entire chain from performance to impact and, not least, continue to develop Sida's communication so that everyone can access what they need, whether it is a simple overview or detailed open data. This will be complemented by the development of a new solution to showcase civil society organisations' activities and results, as well as several major development initiatives on openaid.se and sida.se. This type of development lends itself well to AI-based solutions that can answer direct questions from stakeholders. The answers can then be based on our basic data but presented in a context that can be composed of information from e.g. research reports and geopolitical analyses.

This area contributes to the following operational objectives: E1–E7, I.2, I.7

To achieve this, we will focus on the following in the period 2024–2026:

- Increasing transparency in partner selection.
- Improving the structure of results information.
- Improving the analysis of results information to identify results and make them available at several levels: contribution, strategic objective, geographical and thematic.
- Extensive further development of openaid.se and sida.se for increased transparency.

3.1.4 Enable digital technologies, products and services

Sida will keep abreast of the rapid development and use of technology so that we can explore new opportunities and analyse potential risks. This applies to both development cooperation and operational development, areas where AI is predicted to have a rapidly growing impact in the future. Sida will strengthen its capacity to test and innovate in relation to new methods, technologies and opportunities, while considering risks and complying with legal requirements.

Sida will strengthen strategic partnerships and collaboration with international and national actors and forums, such as DIGG, eSam, OECD DAC, EU D4D and within Team Sweden. Digitalisation may also require us to find new ways of working and dialogues with our partners as well as new types of partners.

Sida's existing IT environment and its legacy currently make it difficult in many cases to make rapid adjustments to the changing needs of the organisation. This generates costs and a delay in all digital development, which means that the organisation is not keeping pace with IT. Sida must ensure that systems and technical solutions are life cycle managed in management plans and move towards technology that is more adaptable and flexible, in line with Sida's architecture principles.

As a government agency, Sida must comply with the current legal requirements. However, legislation does not always develop as quickly as technology, which in some cases limits our room for manoeuvre in mission-critical processes. This applies, for example, to information exchange exchange with foreign missions and with other government agencies (such as within Team Sweden), which is brought to a head in digital collaboration. In some cases, it would be desirable from an efficiency perspective for Sida to be able to better capitalise on the benefits of digitalisation in mission-critical processes. At the same time, the legal conditions are such that efficiency considerations sometimes have to give way to other interests, such as public transparency in government agency activities. In such cases, Sida must focus on finding constructive solutions that offer increased efficiency while being compliant with the applicable legal conditions. Our employees at foreign missions also have different conditions for digitalisation than employees at Sida's head office, as they use the hardware and software of the Government Offices of Sweden.

This area contributes to the following operational objectives: E1–E7, I.2, I.9, I.11

11 See "Development assistance for a new era – freedom, empowerment and sustainable growth"

To achieve this, we will focus on the following in the period 2024–2026 (see also the guidance and activity plan for IT and internal digitalisation):

- Establishing a digital work flow in contribution management for both contractual partners and Sida staff: "Streamlined contribution management and partner cooperation".
- Rolling out the Partner Portal to more partners.
- Further developing automation and AI at Sida to support learning and evidence-based work in operational and support departments.
- Establishing clear central communication around which tools and services should be used for collaborating with partners as well as internal teamwork including more cooperation across departmental boundaries.
- The digital work tools of Sida's staff shall be continuously inventoried and developed or replaced to ensure there are effective and simple work tools, including for colleagues at foreign missions.
- Continuing to develop the digital workplace at Sida, where new tools can facilitate, streamline and support ways of working and cooperation at the head office and between the head office and foreign missions. The digital tools we use at Sida must also be capable of being used by employees at foreign missions.
- Further developing Swedish capability for capacity-building partnerships in areas such as AI, public digital services and the development of interoperable national frameworks for data governance.
- Strengthening our ability to ensure that our partners work in accordance with the Principles for Digital Development when developing products and services.

3.1.5 Efficiency

Digitalisation makes it possible to simplify work and make it more accessible, as well as to free up time for more qualified tasks through automation. These are opportunities that Sida should capitalise on in order to be as cost-effective a government agency as possible and to offer our partners user-friendly, efficient and secure digital interaction with Sida. To identify the greatest potential for efficiency improvements, the work should be based on a good understanding of existing processes and on standardised solutions that reduce the need for hard-to-recruit staff and consultants.

This area contributes to the following operational objectives: E1–E7, I.2

To achieve this, we will focus on the following in the period 2024–2026:

- Automating processes identified as appropriate, e.g. through chatbots, robotisation or AI.
- Streamlining ways of working and processes for the preparation and follow-up of guarantees.
- Prioritising Sida getting a modern HR system that can, among other things, handle pre-, on- and off-boarding as well as HR data, competence database (CV), gap analyses and pulse surveys.
- Developing digital support for Sida's communication work, e.g. regarding translation and subtitling.
- Following up on launched initiatives related to digital remote monitoring of contributions as well as digital travel to our partner countries.
- Exploring the possibility of funding contributions that use open data on development cooperation as a tool for aid effectiveness.

3.1.6 Digital security

Digital solutions can increase security compared to analogue solutions, but can also expose users to new digital risks. The global security situation and geopolitical tensions in general require a constantly evolving ability to understand the security situation. Sida's systematic security work is a prerequisite for digitalisation, for people living in poverty, our partners, our employees and organisation itself. We will increase internal understanding of the importance of digital security as an integral part of our own and our partners' operations.

To ensure effective and secure digitalisation, Sida must comply with current and future legislation in this area. The work must be risk-based and continuous over time. Sida's operational development needs to strengthen its work related to benefit calculations, benefit realisation (secured effects on users) and risk analyses, in terms of both the current situation and the target situation, when we initiate digital initiatives. This will provide an objective basis for decision-making that balances benefits and operational risks, including security risks. Digitalisation should help reduce manual and time-consuming processes and make security work more efficient. This in itself helps to make digitalisation more efficient and secure. Automation also reduces the risk of human error, such as through automated error correction.

This area contributes to the following operational objectives: E1–E7, I.5, I.10

To achieve this, we will focus on the following in the period 2024–2026:

- Ensuring compliance with Sida Bas as set out in the guidance and activity plan for IT and internal digitalisation.
- Using external resources and helpdesks appropriately to strengthen digital security work internally and in collaboration with partners, such as through better integration in internal governance and control and in audits of partners.
- Offering safer and more effective digital remote monitoring in difficult environments through digital tools as an alternative to field trips.
- Strengthening the internal security culture and security awareness of both managers and staff to enable successful and secure digitalisation.
- Ensuring that Sida's digital services maintain the organisation's requirements for accessibility, continuity and robustness through systematic information security management.
- Further developing partnerships that use technologies such as AI to make the internet more secure.
- Maintaining, and make use internally of, Sida's support to human rights defenders, freedom of expression and human rights online, and an open, safe and secure internet. This is done, among other things, through the global dialogue on internet governance and specific initiatives such as the Stockholm Internet Forum.

3.2 Specific focus areas for digitalisation in development cooperation

Sida will contribute to the GDC's five objectives to achieve an open, safe and secure digital future for all.

To achieve this, we will focus on the following in the period 2024–2026:

Contributing to secure digital foundations and integrating digitalisation as a methodology
This area contributes to the following operational objectives: E1–E7

- Contributing to strengthening digital foundations and digitalisation as a practice in our partner countries. This includes
  - i Supporting activities to connect all people, schools, hospitals and other societal functions to the internet, as this is a prerequisite for closing all digital divides and making an inclusive digital economy possible.
  - ii Strengthening and mobilising increased investments in digital public goods and digital public infrastructure and services across sectors.
  - iii Strengthening capacity in areas such as AI, public digital services and the development of interoperable national data governance frameworks through new partnerships, including in collaboration with Swedish actors.
- Contributing to access to affordable and secure connectivity for Sida's target groups, as well as the knowledge and tools necessary to benefit from digitalisation. Sida will maintain its work to combat misinformation and disinformation and strengthen legal and policy frameworks to combat technology enabled violence and protect children. This includes:
  - i Capacity development for telecommunications regulation and other related areas.
  - ii Contributing to the ability of Sida's target groups to increase their capacity to use digital technology and to find independent, fact-based and up-to-date information.
  - iii Promoting trusted digital equipment and software suppliers in our partner countries, and strengthening digital security for Sida's target groups.
- Supporting inclusive digitalisation that reaches Sida's target groups while contributing to free and open markets and trade, and inclusion in the digital economy. This includes, for example, activities that make digital technologies more accessible to all, including in different languages and formats, and supporting women and young innovators and small/medium-sized enterprises in benefitting from the opportunities of digitalisation.

Developing our partnerships with civil society, private and public actors, and academia
This area contributes to the following operational objectives: E1–E7

- Strengthening evidence gathering and knowledge development through partnerships. Sida will actively participate in international networks for mutual knowledge sharing and evidence gathering, and contribute to dialogue and exchange between our partners and other relevant actors. Dialogue on the importance of the internet remaining open, global, stable and secure is particularly important (as has been done through the Stockholm Internet Forum, among others).
- Strengthening collaboration with the private sector, such as manufacturers, mobile phone operators, software developers, data providers and innovators, to harness synergies between private sector actors and Sida's work.
- We choose partners who are committed to human rights, climate and the environment and who want to contribute to an inclusive, open, safe and secure internet, as we increase our support for regulation and capacity development. We support local actors to build private and public digital services.

- Raising Sida's and Sweden's positions to contribute to sustainable, inclusive and rights-based digitalisation in selected global and regional forums.
- Increasing cooperation within Team Sweden through, for example, the Global Gateway initiative and an expanded partnership with the Swedish telecom regulator (PTS). Actively seeking to promote Swedish solutions where they are appropriate.
- At European level, we will focus on the opportunities for collaboration and knowledge exchange through the EU D4D hub. This will enable us to scale up successful initiatives and contribute to larger financial investments.

Methodology development for analysis, strategy implementation, synergies and coordination
This area contributes to the following operational objectives: E1–E7

- Methodological support will be progressively strengthened and more widely used. Based on a systems approach, we identify the greatest impact of Swedish development cooperation and provide an expanded digital "toolbox" that brings together methodological support, guidance, analysis and evidence. We leverage our Digitalisation Helpdesk and evaluate it regularly.
- In particular, Sida will strengthen country and regional analyses from a digitalisation perspective. This means that digitalisation will be considered in Sida's Development Offer. In this way, we also strengthen the link between Sida's core mission and digitalisation.
- Strengthening synergies between digitalisation and other thematic areas of development cooperation.

4. Key strengths and prerequisites for implementation of the strategy

The key strengths for implementing Sida's sub-strategy for digitalisation are

- Digitalisation is an explicit objective in Sida's operational strategy, which gives weight and priority to the issue.
- Digitalisation is a means of achieving both internal and external objectives in the operational strategy.
- There is a common understanding and definition of the concept of digitalisation at Sida.
- There is a common approach to digitalisation at Sida that includes digitalisation in development cooperation, for partner cooperation and within the organisation.
- The digitalisation work of recent years has provided expertise and experience within the organisation and demonstrated the strength of a structured, well-established model for user needs assessment, operational development and skills enhancement.
- Cooperation with other actors in the field, such as eSamverkansprogrammet (eSam), DIGG, the Swedish Post and Telecom Authority (PTS) provides support in this work.
- Sida is a well-respected actor among other donors and among leading implementing organisations.
- Sida leads Sweden's work in the EU D4D hub, which provides an important platform for cooperation with other European actors.
- There are a number of prerequisites that need to be in place in order to achieve the expected results of the sub-strategy:
- Implementation of the sub-strategy must be owned by the entire organisation and be part of Sida's annual Operational Plan.
- Like all operational development, digitalisation needs a clear decision-making chain for the implementation of digital development activities. Without this, there is a risk that initiatives and projects will come to a standstill after feasibility studies or investigations because decision-making will take longer.
- Sida needs to dimension the operational development in relation to available resources. There is a risk that employees with experience of working with digitalisation will not be given the opportunity to prioritise this in relation to other tasks.
- In consultation with the Ministry for Foreign Affairs (MFA) and the Swedish National Archives, Sida needs to on an approach to sharing information across agency boundaries in order to be able to provide digital solutions to our employees at the foreign missions.
- Technical conditions for further development need to be in place through a clear target architecture and active life cycle management of existing systems and core processes.
- Active change management – ensuring necessary changes in behaviour and working methods as digital initiatives are developed – needs to be prioritised and resourced.
- Skills and knowledge need to be further strengthened to enable Sida's whole organisation to participate in development initiatives and accept new solutions.
- The initiatives that are prioritised must be based on the needs of the organisation to ensure that the focus is on the initiatives that have the greatest impact.

- Cooperation and dialogue with end users throughout the process is a prerequisite for successful digitalisation.
- Sida needs a clearer model for monitoring the effects of digital initiatives, known as benefit realisation.
- Digitalisation needs to be on the agenda on an ongoing basis in the dialogue with Swedfund, Business Sweden, PTS and other key Swedish actors, for example in the implementation of Business Sweden's Global Gateway assignment.
- Digitalisation is included as part of Sida's development analyses and development offering, and goals when digital foundations and digitalisation are to be regarded as an enabler and risk in all portfolios.
- Capacity and prerequisites to explore and build new partnerships and new forms of cooperation.

5. Guiding principles

This sub-strategy builds on the work of the GDC, which strives for an inclusive, open, safe and secure digital future for all, with its five sub-goals to achieve: internet access for all; inclusion in the digital economy; a safe, free, open and secure digital space; digital public infrastructure such as digital IDs; and artificial intelligence for the benefit of humanity.

In addition to the objectives, the GDC is based on a number of principles that should guide the work and vision that Sida pursues with its digitalisation work. These are based on the 2030 Agenda and poverty reduction anchored in human rights, gender equality and the empowerment and meaningful participation of girls and women. Digital technologies should be used to solve climate and environmental problems and minimise their negative environmental impact; an equitable digital economy needs to challenge the concentration of power over technology and markets, and work to ensure that the benefits of digitalisation do not reinforce existing inequalities; internet that is accessible and affordable for all is a prerequisite; interoperability; safe, secure and reliable digitalisation, including AI, requires accountable and transparent development processes under human oversight; innovation, creativity and competition, as well as governments, the private sector, civil society, the tech community and academia all have important roles to play; and finally, emphasising the importance of good partnerships – to secure the necessary resources, share learning and ensure forward-looking work grounded in human rights.

Some of these principles are not as applicable to Sida as an Swedish agency, as we operate in a context that is different from that of our partner countries.

We are also guided in our digitalisation work by the Principles for Digital Development[12] and Sida's architecture principles.[13] The architecture principles are set out in one of Sida's governance documents, which provides guidance at the operational, application and technical levels.

The Principles of Digital Development is internationally established and drawn up with the support of Sida. They provide guidance for individual digitalisation activities in development cooperation and must therefore be used by Sida's development cooperation partners. They are also applicable to general digitalisation work. There is an important underlying principle of building on established standards rather than reinventing the wheel.

The principles and declarations for Aid Effectiveness (local ownership, focus on results, inclusive partnerships, transparency and mutual accountability) are also a cornerstone of digitalisation in development cooperation.

12 Principles for Digital Development, p.1 Downloaded from Sida's former partner DIAL 04/04/2024
13 See Sida's architecture principles

6. Competence and skills

This section focuses on how Sida needs to be equipped to achieve the 2026 objectives. The section focuses on how our competences, skills, methods and learning need to be further developed.

We develop our leadership with regard to digitalisation and operational development

This means that Sida's senior management and management team take clear responsibility and ownership for operational development as well as for the implementation of the sub-strategy and being a driver so that digitalisation change momentum is integrated in our operations and contributes to development results. This is done by allocating resources and financial means and clarifying the prioritisation by including digital initiatives and deliveries in the operational plan.

Digitalisation work opens up great opportunities for new forms of cooperation and solutions, which may mean that priorities, organisation and ways of working need to be reconsidered. Leadership must be characterised by the willingness and confidence to make the most of these opportunities.

Leadership will also inspire an organisational culture and concrete cooperation based on Sida's mission and role, and demonstrates the courage to think differently and innovate when needed. Leadership highlights the organisation's and employees' experience in the area, and encourages further skills enhancement.

We develop our capacity for change

This means that we recognise that change is a normal state of affairs and create ways of working that allow us to quickly turn identified opportunities into actual results.

The world around us is changing rapidly, affecting the conditions for working with digitalisation. This is highlighted by AI's incredibly rapid development, such as in technology development, regulation, impact on democracy development and the labour market. The demands on the ability to change are often high and Sida must be able to meet these quickly and flexibly.

We are oriented towards the world around us, have a flexible approach, and have the relevant skills and behaviours to respond quickly to changing conditions.

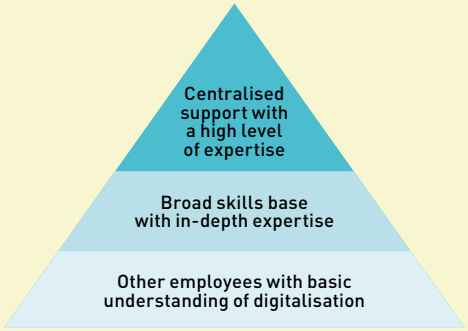
We identify and remove barriers

This means that we work agilely to continue to assess Sida's enabling environment for digitalisation, to understand whether the enabling environment (such as resources, ways of working, technology, security, legal, culture, ecosystems, organisation, expertise, data) is limiting the development of our operations and our ability to achieve development results.

When we identify barriers, we need to remove them. This may also require us to rethink our established ways of working. To remove major obstacles, we need to involve the right level of decision-making and ensure that decisions are made. Examples of obstacles that need to be removed include how we work with the challenging archiving issue in collaboration with the foreign missions, as well as low recipient capacity and change management capability within the organisation.

We ensure we have the right skills and expertise

This means that we have a higher level of expertise and understanding of digitalisation, data and AI (referred to as digital excellence), see visualisation below. We will ensure a broad skills base with in-depth knowledge and understanding of the context or theme in combination with digitalisation. We will also ensure that all employees have a basic understanding of digitalisation. Sida's competence supply plan will clearly specify what digitalisation resources, skills and expertise Sida should have in the coming years in connection with the implementation of organisational change and the implementation of the digitalisation sub-strategy.



Digitalisation as an area in Sida's competence profile will be followed up in performance reviews and addressed when skills are lacking. Skills gaps are addressed with a structured training plan, such as a mandatory skills programme, and new recruitments that strengthen the digital capabilities of Sida and the foreign missions. Support from helpdesks and consultants will also be needed.

Skills enhancement regarding digitalisation in development cooperation is governed by Sida's operational strategy, appropriation directions and cooperation strategies. There will be a need for both breadth and depth in digitalisation expertise in line with the sub-strategy's objectives for digitalisation in development cooperation. However, it is essential that all programme officers and policy specialists are aware of how digitalisation affects the basic conditions for development, and how we deal with geopolitical conditions.

Sida will improve its ability to assess and translate technology and development into practical implementation of initiatives, internally at Sida, in cooperation with partners and in development cooperation.

We develop our ability to test and experiment

This means that Sida will continue to spread commitment, interest and curiosity about digitalisation through, for example, pulse meetings, stand-ups and demos. Sida must have the ability to constantly develop its ways of working and methods by testing and exploring different solutions. This may involve testing in secure test environments, experimenting with new ways of working internally at Sida, testing and evaluating different forms of digitalisation-related collaboration with partners, or testing new catalytic forms of funding or forms of collaboration and business models to contribute to digital foundations and increase the impact of digitalisation initiatives. The ability to test a method or an idea in practice is an important complement to traditional training and builds competence in the organisation in a different way than through traditional skills enhancement. One necessary measure is to clearly integrate Sida Lab's methodology into the digitalisation work, particularly in terms of design thinking.

7. Term list

IT: IT, information technology, creates the technical and systemic conditions for digitalisation.

Data governance: Ways of working and methods for ensuring that you can rely on the data you have access to as a basis for decision-making, that you protect data and integrity, that responsibilities for data sets are designated and formalised, and that you have processes for continuously ensuring accuracy and usability.

Digitalisation: We view digitalisation as being about the development of our operations, i.e. a method of operational development and of development cooperation, and not just a matter of technology per se. As a general concept, digitalisation describes the increasing use of digital technologies by people and organisations and its impact and transformation of society at the local and global level.[14] Digitalisation encompasses the use of digital technologies and data to create new work and communication processes, both internally and in relation to target groups, partners, the public and other stakeholders. IT systems are one of the prerequisites for successful digitalisation, with operational development and change management being other crucial prerequisites.

Digitisation: The conversion of analogue data to digital, such as digital documents instead of paper.

Digital transformation: Creating new operational logic through digitalisation.

Digitalisation in development cooperation: ("Digital for Development") – Digitalisation as an enabler for development cooperation aims to promote inclusive, sustainable, rights-based and secure digitalisation to improve the living conditions of people living in poverty and oppression in Sida's partner countries and globally, and to use digital technologies to enable development impact in all thematic areas.

Digitalisation of Sida's organisation: Operational development of Sida's internal digitalisation work as a tool and enabler with the aim of streamlining (improving and simplifying given conditions) and innovating (developing new opportunities of a goal-oriented nature).

Digitalisation of partner cooperation: Generally speaking, the term partners refers to all parties with whom Sida cooperates in various forms, such as organisations that receive contributions and are key stakeholders for Sida's capacity development as well as suppliers and other donors. Contractual partners are those partners with whom Sida has an agreement related to the development cooperation, including, for example, multilateral organisations and guarantee agreements. With digitalisation of the partner cooperation, we aim to improve and streamline the cooperation with our partners with the help of digital tools, such as in the contribution management process. The contribution management process, which is how we manage our contributions with our partners, has two target groups – our employees and our partners. In this document, we have chosen to place the contribution management process under the heading of partner cooperation.

Digital capability: An organisation's ability to capitalise on the opportunities offered by digitalisation, i.e. Sida's ability to reap the benefits and effects of digitalisation. It consists of equal parts digital skills, culture, methodology and implementation capacity.

Global Digital Compact (GDC): A comprehensive framework for global governance and cooperation on digital technologies and artificial intelligence.

Sida Bas: As set out in the document with guidance on IT and digitalisation. Sida Bas is responsible for ensuring that the services, systems and security infrastructure required for the organisation to be able to function properly are prioritised. Sida Bas has its own budget that clearly states what is included and should be prioritised.

RPA: Robotic Process Automation – Technology for robotisation and automation of workflows.

14 Digitisation, digitalisation and digital transformation, p. 1. Downloaded from the School of Economics, 15/04/2024

Art. no.: sida62765en, urn:nbn:se:Sida-62765en Print: Ljungbergs tryckeri 2025

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