

Annual Report

2007





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Introduction

2007



Introduction

We are making progress. In global terms it is likely that the Millennium Development Goal of halving the proportion of the world's population living in extreme poverty between 1990 and 2015 will be achieved. The figure has already fallen from 29 to 18 per cent. First and foremost it is the strong growth in East Asia which has lifted hundreds of millions of people out of poverty, but South Asia and Latin America are also well on the way to achieving the goal. Poverty is also diminishing in sub-Saharan Africa, but at a significantly slower rate. Almost a billion people on our earth are still living in extreme poverty, and 300 million of these live in Africa.

Many of the world's poor also live in fragile states, countries which are at war or which have recently emerged from a conflict situation. One quarter of the world's extremely poor people live in these countries, although these account for less than ten per cent of the total population of the developing countries.

One of these countries is Sudan, Sida's third main recipient country in 2007, where the ongoing reconstruction work in southern Sudan is now starting to show results in the form of health centres and in schools. In order to increase the effectiveness of development cooperation in Sudan donors are now coordinating their assistance.

While there is ongoing conflict in several African countries, other countries have now experienced a long period of high and stable growth. Tanzania and Mozambique, Sida's two main partner countries, which together account for one tenth of Sweden's total aid, are two countries in sub-Saharan Africa which have seen their economies grow by up to 6–7 per cent per year in the new millennium. Tangible social improvements can be seen in these countries in the wake of strong economic development.

Primary school education is now free in Tanzania, and the proportion of children attending school has increased from 60 to 97 per cent over the last seven years. At the same time as 40,000 new primary school teachers have been employed, the proportion of students leaving primary school with a recognised certificate has increased from 22 to 62 per cent between 2000 and 2005. Developments within the field of health are also encouraging: the number of children who die before their first birthday has fallen by

almost one third, and the mortality figure for children under five has fallen by almost one quarter.

In Mozambique too the statistics speak for themselves. The proportion of people living in extreme poverty has fallen from 69 per cent in 1997 to 50 per cent in 2005, and this improvement is reflected in several other areas. Primary school registrations increased from 44 per cent in 1999 to 87 per cent in 2006. The increase was highest for girls, leading to a reduction in the gender gap among pupils. More children are also completing their primary education, with a marked increase in the period 1999–2005 from 27 to 48 per cent.

Major challenges remain, of course, not least in terms of the development of democracy and environmentally sustainable development. Tanzania and Mozambique are still among the world's poorest countries, but the development achieved is an example of the positive results of the change taking place within international development cooperation, with the partner countries taking ever greater responsibility for development in their own countries.

Increased efficiency and effectiveness in international development cooperation is given high priority by Sida, but aid remains altogether too fragmented in several recipient countries. Too many projects on too small a scale, often initiated by the donors, have placed a heavy burden on already weak governments in recipient countries which have been unable to take the responsibility required for the development effects to become permanent.

In line with the Paris Declaration, adopted by the parties to international development cooperation in 2005, Sida has worked consistently to increase the proportion of programme support coordinated among the various donors and channelled via the recipients' own financial systems and budget processes as the country's own tax revenues. This means that taxpayers in Sweden and Tanzania have similar interests in the Tanzanian government making the best possible use of its resources. However, this system also requires a functional parliament, organisations in civil society, and free and impartial media which see it as their duty to scrutinise how the government administers its resources.

Promoting a democratic development of society is an important part of Sida's work. This is reflected in the fact

that almost one quarter of total development cooperation concentrates on promoting democracy and human rights. This involves conduct of elections, development of functional legal systems, support for human rights organisations, as well as supporting the emergence of an open, responsible and effective public administration which is accountable to its citizens.

As part of Sida's work to increase the efficiency and effectiveness of development cooperation through programme support, during 2007 Sida published a comprehensive handbook for analysing countries' public financial systems. Knowledge of the weaknesses in the financial systems is a prerequisite for being able to assess the countries' ability to implement their own poverty strategies, as well as being an important element in evaluating the risks of corruption in development cooperation.

In recent years Sida has adopted a number of measures to minimise the risks of corruption, making this a strategic priority. Establishing controller functions in the field has made anti-corruption work more effective. An increasing number of embassies have drawn up anti-corruption strategies and many of them have engaged local auditing firms to assist in monitoring work and where there are suspicions of corruption.

For the last few years Sida has been working to concentrate contributions within each country cooperation in order to increase the effectiveness of development cooperation. Cooperation has been restricted to a maximum of three sectors in all the new strategies Sida has drawn up. Major progress was made in 2007 when, following joint efforts by Sida and the Swedish Ministry for Foreign Affairs, EU aid ministers reached agreement on common principles for division of work within assistance in accordance with the philosophy of the Paris Declaration. The aim is to reduce administrative expenses for the partner countries and thus increase effectiveness.

Another important step in increasing the efficiency and effectiveness of Swedish development cooperation, long advocated by Sida, was taken by the Government in 2007 when it voted to focus bilateral development cooperation on a smaller circle of countries than previously. By releasing Swedish resources from countries where other donors can take greater responsibility, it will be possible for Sida to

increase its commitment in those countries with which we will continue to cooperate. Being more committed in a smaller number of countries means that Sweden can take a more active role in the increasingly important dialogue being conducted in donor circles on site in the countries in question.

This country focusing reflects a clear prioritisation of Africa. Nine of the twelve countries where Sweden will undertake long-term development cooperation are in Africa. The challenges remain huge; Sub-Saharan Africa remains the world's most badly affected region in terms of HIV/AIDS, although the number of newly infected persons has gradually fallen in recent years.

Other priority areas are reform cooperation in Europe, countries in conflict or post-conflict situations, and countries where Sweden will make contributions to promote democracy and human rights through civil society or other channels.

During the past year we have initiated efforts within Sida to improve management by results. The challenge lies, among other things, in becoming more systematic in application, and ensuring that results permeate all our work. There must not be any doubt as to the results which a contribution is to achieve, and the results which are actually achieved. Perhaps the programme's most important achievement this year has been to change and develop the knowledge and insight of many members of staff and managers, but first and foremost our work is about achieving results for men, women and children living in poverty.



Anders Nordström
Director-General



PHOTO: CHRIS BLACK

Sida's organisation



Sida's Board 2007

Maria Norrfalk, *chairperson 01.02–20.05, Director-General of Sida*
Göran Holmqvist, *chairperson, acting Director-General of Sida from 21.05*
Charlotte Petri Gornitzka, *Secretary-General of Save the Children Sweden*
Leif Håkansson, *3rd Vice-President of LO, the Swedish Trade Union Confederation*
Ari Kokko, *Professor, Stockholm School of Economics*
Lena Johansson, *Director-General, National Board of Trade*
Marie Öberg Lindevall, *Head of Division, Capio Diagnostik AB*
Kent Härstedt, *Member of Parliament, Social Democratic Party*
Marie Nordén, *Member of Parliament, Social Democratic Party*
Kerstin Lundgren, *Member of Parliament, Centre Party*
Birgitta Ohlsson, *Member of Parliament, Liberal Party of Sweden*
Holger Gustafsson, *Member of Parliament, Christian Democrats*

Sida has changed its management form with effect from 01.01.2008, as a result of which the Board has been replaced by an Advisory Council.



PHOTO: OWE WESSLÉN

Sida's Research Council

Prof. Gunnar Öquist, Chairman
Royal Swedish Academy of Sciences

Prof. Sven Hesse
Department of Social Work, Stockholm University

Prof. Inga Persson
Department of Economics, Lund University

Prof. Lena Gustaffson
VINNOVA – the Swedish Agency for Innovation Systems, Stockholm

Prof. Olle Stendahl
Department of Medical Microbiology, Linköping University

Prof. Ingrid Öborn
Department of Soil Sciences, Uppsala University

Prof. Lars-Åke Persson
International Maternal and Child Health (IMCH), Uppsala University

Prof. Ruth Haug
NORAGRIC/Norwegian University of Life Sciences, Oslo, Norway

Prof. Hans C. Blomqvist
Vice-Rector, Swedish School of Economics and Business Administration, Vasa, Finland

From Sida:

Dr Berit Olsson
Head of Department for Research Cooperation

Dr Joakim Molander
Department for Europe

Sida's management 2007

Maria Norrfalk, *Director-General 01.01–20.05*

Göran Holmqvist, *Head of Department for Africa 01.01–20.05, acting Director-General from 21.05*

Staffan Herrström, *Deputy Director-General and Head of Department for Policy and Methodology 01.01–17.06*

Bengt Ekman, *Planning Director*

Berit Olsson, *Head of Department for Research Cooperation*

Klas Markensten, *Head of Department for Europe*

Eva Asplund, *Head of Department for Asia*

Jan Bjerninger, *Head of Department for Natural Resources and Environment*

Marie Ottosson, *Head of Department for Finance and Corporate Development*

Ann-Charlotte Malm, *Head of Department for Infrastructure and Economic Cooperation*

Maria Stridsman, *Head of Department for Democracy and Social Development*

Christine von Sydow, *acting Head of Information Department*

Kristina Kühnel, *acting Head of Department for Africa from 21.05*

Magnus Lindell, *Head of Department for Cooperation with NGOs, Humanitarian Assistance and Conflict Management*

Åsa Edström, *Head of Human Resources Department*

Hans Magnusson, *Head of Department for Latin America*

Per Ronnås, *acting Head of Department for Policy and Methodology from 18.06*

Under Sida's standing orders, the Head of the Secretariat for Evaluation and Internal Audit is not a member of the management committee, but is entitled to be present and to express opinions at meetings of the committee.

Eva Lithman, *Head of the Secretariat for Evaluation and Internal Audit (UTV) 01.01–31.10*

Stefan Molund, *acting Head of the Secretariat for Evaluation and Internal Audit (UTV) from 01.11*

Policy area: International Development Cooperation

2007



More efficient and effective development cooperation and implementation of the Paris Declaration

GENERAL

In 2006 Sida adopted an action plan for increased aid effectiveness 2006–2008. The aim was to ensure that Sida implements Sweden's undertakings in accordance with the Paris Declaration. The action plan comprises five main elements:

- Monitoring of the Paris indicators
- Development of methods and procedures
- Learning and human resource development
- Communication
- Quality assurance.

Sida has reported to the Government on monitoring of the Paris indicators in a separate report.

In accordance with the principles of the Paris Declaration, efforts in 2007 were concentrated on two major areas of development of methods and procedures: “The Results Project”, which resulted in a document containing definitions of terms and an action plan for Sida, and a project concerning sector programme support. During 2007 the latter helped to provide support for eight assessments and for ongoing programme support contributions to issues concerning public financial control, choice of financing form, and how to integrate Sida's perspectives on poverty in the contributions and management by results. Advisory work and consultations with the field at three regional seminars (Africa, Asia and Latin America) led to policy and method conclusions which formed the basis for working documents for Sida's position paper on programme-based approaches.

In addition, Sida has conducted seminars and courses for various categories of staff on methods for increased aid efficiency. This has gradually been integrated in all human resource development. Sida has also carried out activities concerning communication on the Paris Agenda for various target groups. Efforts have concentrated in particular on communication with organisations in civil society (*see below*). Sida has also integrated the Paris Agenda in various forms of quality assurance of cooperation

strategies. For example, aid efficiency is regularly included in assessments done by Sida's Project Committee as well as in the reports and subsequent discussions caused by Sida's Quality Assurance Team's visits to embassies and Development Cooperation Offices.

AFRICA

National processes to implement the Paris Declaration are under way in all partner countries in Africa, although the starting positions and conditions vary. Sida is playing an active part, for example in JAS (Joint Assistance Strategy) processes in countries including Mozambique, Tanzania, Zambia, Kenya and Uganda. In several countries the governments have assumed strong ownership of the processes and presented nationally aligned goals regarding aid efficiency, for example in Rwanda. One tangible result is an increased proportion of programme support and common monitoring frameworks, for example in Rwanda, Mozambique, Tanzania and Zambia. However, Sida has experienced difficulties in participating in these processes in certain countries (for example Ethiopia and Uganda) as a result of the rapidly changing political situations.

One positive example is the JAS process in Zambia. The multi-donor strategy largely follows the requirements of the Paris Declaration in terms not only of harmonisation, but also of ownership requirements, as it is based on the country's own poverty strategy. The embassy has also developed a dialogue and results matrix during the year to monitor the Swedish cooperation strategy. Wherever possible, the matrix is based on the key result indicators from Zambia's poverty strategy, such that the requirement for management by results also incorporates Zambian ownership. Since January 2007 Sweden has also been part of the troika leading the work on general harmonisation issues.

In fragile states too, processes are under way to implement the Paris Declaration. For example, Sweden has worked

with harmonisation in Sudan through its membership of the Advisory Group to the Common Humanitarian Fund (CHF). Through CHF, Sida has worked for a clearer and more transparent structure in terms of prioritisation and allocation of resources, which is now in place. However, CHF's monitoring and evaluation systems also need to be strengthened in order to meet the Paris Agenda's criteria for harmonisation and management by results.

ASIA, THE MIDDLE EAST AND NORTH AFRICA

The partner countries in Asia vary significantly with regard to implementation of the Paris Declaration, but processes designed to move towards increased aid efficiency are in place in all countries.

In a country such as Afghanistan, the development of a functional domestic system of administration at national, regional and local level is a prerequisite for reconstruction. In order to strengthen the role of the Afghan government in the reconstruction work, Sweden has chosen to channel almost one third of Swedish aid via the World Bank to the major fund for the reconstruction of Afghanistan, the Afghanistan Reconstruction Fund (ARF). Sida assesses that the Bank is effectively coordinating contributions from donors together with the Afghan government.

The majority of Swedish aid to Bangladesh is disbursed to the health and education sectors, and mostly channelled via the World Bank and the Asian Development bank.

Together with other donors, Sweden has started to look into the opportunities for working towards a JAS for Bangladesh in the long term. This would be based on the future Bangladesh PRSP, expected to be adopted in 2011. Sida has been active in strengthening the country's capacity within the education sector in terms of management by results.

In Vietnam donors are working together with the government in various groups and cross-groups to increase coordination and harmonisation in line with the intentions of the Paris Agenda. Sweden is the leading donor in the group working on anti-corruption in Vietnam. Together with other donors, Sweden has also been active in working groups within various sectors. Sida assesses that the Swedish aid is well coordinated with that of other donors, and that the aid which Swedish contributes to technical cooperation is wholly in line with the country's own plans.

LATIN AMERICA

Some of the partner countries in Latin America have complex processes for increased aid efficiency, but they are closely linked to the prevailing power structure and circumstances can change quickly in the event of a shift in political power, as has been the case in Nicaragua. Another difficulty in Latin America has been that "like-minded donors" play a smaller role than in Africa, for example, which has meant that Sweden has often had to take on a particularly heavy role in the donor dialogue.

In Bolivia over the past year Sida has participated in the existing groups for donor coordination, and also participated actively in the establishment of new groups (for example within the areas of the constituent legislative assembly and decentralisation). Several of Sida's contributions are also made in the form of financing for joint funds or as delegated partnerships. In the sector which accounts for the highest number of contributions (democratic governance), the proportion of donor-coordinated contributions increased from 50 to 74 per cent between 2006 and 2007.

EASTERN EUROPE AND CENTRAL ASIA

Europe has continued the work on sector concentration during 2007, but efforts to increase the proportion of programme support have not been equally successful. The planned budget support for Moldova has been postponed as a result of the government taking a decision not to return to the issue until half-way through the new strategy period. However, Sweden is playing an active and supportive role in the work on a common cooperation strategy which is starting to take form in Tajikistan, although—as a result of the phasing-out decision—Sweden will not be part of the strategy. Close coordination with EU programmes is a factor which partly speaks against various forms of programme support to the Balkans, as the EU instrument being used there has been converted to a more project-focused form of support. The EU instrument for the rest of Eastern Europe concentrates on the other hand on larger sector programmes and budget support, which significantly improves the conditions for programme support in the countries covered by the instrument.

Relatively few donors are active in the region of Europe. Despite the limited volume of assistance, Sweden and Sida therefore often take an important and leading role in dialogue and aid coordination. In the Western Balkans there is well-established and effective cooperation with the United Kingdom and the Netherlands. Within the Black Sea region, cooperation is being developed with the Baltic States and Poland, partly concerning EU cooperation but also regarding methods and strategies within development cooperation as a whole. In Belarus Sida is also working with both the EU and the USA to bring about more efficient aid, with contributions being used to reinforce and supplement each other.

GLOBAL DEVELOPMENT PROGRAMMES

An important part of the work within Global Development Programmes comprises financing of global initiatives in coordinated form to counter key global problems and challenges. Among other things, during 2007 Sida financed WHO and FAO initiatives to tackle avian influenza, initiatives of the International Planned Parenthood Federation (IPPF) for sexual and reproductive health, and the World Conservation Union's (IUCN) work on the environmental

conventions. Joining with others to finance an organisation's overall global programmes within an important and under-resourced area achieves an impact which could not otherwise be achieved.

RESEARCH COOPERATION

Research cooperation is based on strategies concerning research and researcher training which have been drawn up in the partner countries, and contributes to their implementation in the countries' own institutions. In Africa an increasing commitment to research can be observed through research strategies drawn up by regional cooperation bodies such as the African Union (AU), the East African Community (EAC) and the Southern Africa Development Community (SADC). Sida has started the process of aligning regional research cooperation with these strategies. Sida is also working to ensure that international research bodies more clearly align their capacity development and knowledge development contributions with the national and regional strategies. Sida is the driving force in the effort to increase donor coordination within the area of health research. In a proposal for a strategy for Research Cooperation and implementation of the Paris Declaration, Sida has drawn up plans to support research bodies in regions and partner countries so as to put them in a better bargaining position with respect to other donors regarding basic support and common reporting formats, etc. A more detailed presentation of implementation of the Paris Declaration within research cooperation will be found in the section on this operational area.

CONFLICT-RELATED ACTIVITY

Conflict-related activity within the appropriation for humanitarian assistance follows the ambition of the Paris Declaration. Countries experiencing armed conflict or post-conflict situations often do not offer the same opportunities for ownership by the partner country, i.e. to coordinate and handle aid from donors. Sida cooperates with other donors in the partner countries, for example by utilising joint "trust funds" for aid. The multilateral organisations are important partners. Part of the support for peace and security from this appropriation is even allocated via international non-governmental organisations within peace and security, for example organisation and programme support to International Alert, the Life and Peace Institute, and Saferworld. Over and above the implementation activities, Sida also took part in international policy and methodology work within the framework of OECD/DAC working groups for peace and security. Among other things this work has resulted in a handbook

for reform of security systems (SSSR) and a manual for common guidelines for evaluation. Sida has also initiated and is heading an effort to link peace and security with human rights with a view to establishing better aid programming and donor coordination within the area. Sida has been involved in efforts to align the Paris Declaration in countries experiencing armed conflict or otherwise designated as fragile states. In 2007 this work resulted in OECD/DAC member states signing a number of guiding principles for aid management in these situations.

CONCESSIONARY CREDITS

The present system of concessionary credits does not allow Sida to work in a more integrated way with other donors in various collaborations and projects, although there is collaboration with other donors within the framework of various development funds. During the past year Sida has initiated discussions on collaboration with the Asian Development Bank (ASDB) concerning various infrastructure projects in Asia (Greater Mekong and an environmental fund). Similar cooperation with the African Development Bank (AFDB) may also be a possibility.

NON-GOVERNMENTAL ORGANISATIONS (NGOS)

During 2006 and 2007 Sida has contributed to implementation of the Paris Agenda both in terms of distributing grants and in advisory work with embassies, international processes and efforts to strengthen capacity with respect to Swedish framework organisations and their partners. New instructions for the NGOs' appropriation were adopted in March 2007 comprising a more clearly programme-based approach and increased results orientation, with the NGO's own systems being used and a new general policy for Sida's support for civil society being produced which directly relates to the challenges presented by the Paris Agenda for support to civil society.

In August 2007 Sida hosted a major international conference on civil society and Aid Effectiveness with contributions from donors and NGOs from north and south. The conference was the first official international meeting in a series of conferences leading up to the Accra Summit in 2008. During the first three months of 2007 Sida seconded a person to DAC's "Advisory Group on Aid Effectiveness and Civil Society" with a view to bringing about consultations on and with civil society ahead of Accra 2008. Within the framework of Nordic+ Sweden has participated actively in a study led by Norway into aid to civil society at country level and in drawing up proposals for recommendations based on this.

Volume and focus of Sida's international development cooperation

In 2007 the volume of Sida's international development cooperation amounted to SEK 15,369 million, excluding administrative expenses. Since 2005, aid via Sida has increased by just under 10 per cent or SEK 1,500 million. Compared with 2006 however, development cooperation fell by SEK 315 million. The degree of utilisation remained high during 2007, at 97.7 per cent of Sida's ceiling on expenditure, which is slightly lower than the previous year.

The Government's prioritisation of development in Africa is reflected in the bilateral development cooperation through Sida. During 2007 development cooperation with the sub-Saharan Africa region totalled SEK 6,228 million, equivalent to just over 40 per cent of total aid via Sida for the year. The Africa operational area accounted for just under 30 per cent of this. Taken together, Africa and the other regional operational areas accounted for approximately 60 per cent of total development cooperation. Of the remaining operational areas, humanitarian and conflict-related contributions and global development programmes account for 13.4 and 12.4 per cent respectively, with NGOs and research representing 8.5 and 6.4 per cent

respectively. Expenditure for the information appropriation was equivalent to 0.2 per cent.

In line with the intentions of the Paris Declaration concerning increased aid efficiency, an increasing proportion of development cooperation is channelled in the form of programme support. Programme support has increased from SEK 1,583 million in 2005 to SEK 2,088 million in 2007. This means that programme support as a proportion of the regional operational areas has increased from 19 per cent in 2005 to 23 per cent in 2007. Programme support accounted for approximately 14 per cent of total development cooperation. Within programme support it is mainly general budget support which has increased, from SEK 725 million in 2005 to SEK 966 million in 2007, while sector programme support increased from SEK 858 million to SEK 1087 million. However, the majority of Sida's development cooperation takes the form of project support, accounting for 46 per cent of total aid, or SEK 7,185 million. The demand for credits remains low, which is partly associated with the review of credit-financed aid carried out on behalf of the Government in 2007. The negative outcome

Table 1. **Volume of Swedish development cooperation**, expenditure in SEK '000 and as a percentage of expenditure

International development cooperation by operational area	2005		2006		2007	
	Expenditure	%	Expenditure	%	Expenditure	%
Africa	3 824 306	27.7	4 670 692	29.8	4 441 083	28.9
Asia	1 585 532	11.5	1 850 904	11.8	1 835 422	11.9
Middle East and North Africa	254 566	1.8	375 568	2.4	378 399	2.5
Latin America	923 413	6.7	902 646	5.8	1 001 612	6.5
Eastern Europe and Central Asia	1 557 093	11.3	1 692 618	10.8	1 556 163	10.1
Global Development Programmes	1 463 442	10.6	1 898 243	12.1	1 909 427	12.4
Research	846 780	6.1	927 899	5.9	978 497	6.4
Humanitarian contributions and conflict-related activities	1 876 997	13.6	2 011 579	12.8	2 063 934	13.4
Concessionary credits	247 239	1.8	7 683	0.0	-135 930	-0.9
Non-governmental organisations	1 190 995	8.6	1 293 663	8.2	1 302 347	8.5
Information	59 553	0.4	52 038	0.3	37 876	0.2
Total	13 829 917	100.0	15 683 532	100.0	15 368 831	100.0

Table 2.

International development cooperation, expenditure in SEK '000

The main partner countries 2007	2005	2006	2007	Administrative expenses 2007
Tanzania	680 499	819 093	740 044	28 636
Mozambique	570 682	663 825	718 032	26 245
Sudan	317 368	326 616	393 989	6 348
Uganda	358 287	461 384	391 536	21 332
Afghanistan	328 981	335 028	380 682	13 924
Other countries/regions	11 574 100	12 996 999	12 744 547	793 142
Total costs	13 829 917	15 683 532	15 368 831	889 627
Type of support				
Project support	6 159 273	7 240 925	7 185 323	
Technical assistance, incl. contract-financed technical cooperation	678 382	693 233	626 386	
International training programmes	200 980	296 799	340 733	
Credits	483 019	158 528	-95 273	
Guarantees	588	0	0	
Programme support	1 583 020	2 132 206	2 088 412	
<i>of which general budget support</i>	725 000	862 000	966 250	
<i>sector programme support</i>	858 020	1 270 206	1 087 162	
Humanitarian assistance	1 979 951	2 214 494	2 102 345	
Research	904 211	984 395	1 039 207	
Grants to NGOs	1 840 493	1 962 952	2 081 698	
Total costs	13 829 917	15 683 532	15 368 831	
Channels				
Multilateral organisations	3 204 815	4 194 705	4 222 226	
Swedish organisations	4 605 466	4 993 622	4 884 613	
Organisations in partner countries	3 558 786	3 732 235	3 698 929	
Organisations in other countries	1 125 455	1 185 906	961 044	
International NGOs	1 335 396	1 577 063	1 602 018	
Total costs	13 829 917	15 683 532	15 368 831	
Main sectors				
Health	1 650 977	1 910 447	1 973 995	84 534
Education	847 434	956 273	696 426	32 073
Research	861 305	969 565	1 043 689	56 524
Democratic governance and human rights	3 102 479	3 814 409	3 637 173	258 263
Conflict, peace and security	335 768	408 428	479 686	24 189
Humanitarian assistance	1 686 748	1 958 079	1 933 651	35 369
Infrastructure	1 180 292	1 363 802	957 555	71 659
Trade, industry and financial systems	566 979	528 508	628 637	58 459
Natural resources and environment	1 846 136	1 975 622	2 007 098	127 646
Budget support for poverty reduction	725 000	862 000	966 250	29 205
Other sectors	1 026 797	936 400	1 044 671	111 705
Total costs	13 829 914	15 683 532	15 368 831	889 627
Number of valid contributions	5 356	5 166	4 760	
<i>of which > SEK 15 million</i>	157	177	194	
<i>number of new contributions</i>	1 478	1 247	1 123	

Negative amounts relate to repayments and reversals.

for credits in 2007 is due to amounts returned from the project in Nepal and Bangladesh which was not able to be completed for political and security reasons.

Tanzania and Mozambique are Sida's two main partner countries, together accounting for almost ten per cent of total aid via Sida, which represents a slight increase over the last two years. Programme support is the dominant type of support in both countries, both in the form of general budget support and sector programme support. Besides general budget support, the focus in these countries is very much on support for democratic governance and infrastructure.

Sida's five main recipients include two countries experiencing conflict, namely Sudan and Afghanistan. In both countries the majority of aid is channelled via donor funds administered by the World Bank with a view to facilitating coordination among donors in line with the Paris Declaration, to allow flexible alignment with the current situation in the countries. In Sudan the majority of the aid via these funds comprises humanitarian contributions, while in Afghanistan it is focused on democratic governance and education.

Aid to Sida's five main partner countries totalled SEK 2,625 million, equivalent to 17 per cent of Sida's total development cooperation.

Democratic governance and promotion of human rights represented almost one quarter of total aid via Sida in 2007, making it the single largest main sector within Sida's sphere of activity. Compared with 2006, aid to democracy has fallen, although its proportion of total development cooperation is unchanged. Compared with 2005, democracy and human rights represent the largest increase in absolute terms, a natural development reflecting Sweden's political priorities. Democracy and human rights are priority areas within a large number of cooperation strategies.

A nominal increase has also been seen within the fields of trade, industry and financial systems, and research, while Sida's contributions to education and infrastructure have been reduced over the last two years. To some extent the reduction in aid for education is due to the fact that in some countries, such as Tanzania, this is now being financed within the framework of general budget support.

During 2007 Sida continued its efforts to increase the effectiveness of development cooperation by focussing its portfolio on a smaller number of higher-volume contributions. During the year Sida took decisions on 1,123 new contributions, which is 10 per cent fewer than 2006 and 24 per cent fewer than 2005. At the same time the number of contributions exceeding SEK 15 million increased by almost 10 per cent during 2007 and by 24 per cent compared with two years ago.

As part of Sida's rationalisation work, a review of Sida's organisation structure and working methods was initiated during the year with a view to implementation in 2008. Closely linked to this is the intensive work which has taken place during the year to increase the focus on results in the management of development cooperation. A further internal change measure for increased efficiency and effectiveness implemented during the year has been to simplify Sida's administrative procedures. A number of small changes have contributed to rationalisation of Sida's administrative procedures.

The focus of development cooperation varies from one country to another and is guided by the Government's cooperation strategies for each individual partner country. However, a number of general characteristics can be highlighted for the various regions.

Africa is the poorest region, and is also the one where the AIDS epidemic has caused a further deterioration in conditions. In addition, the region is experiencing a number of serious conflicts. There is also long experience, both among the countries and donors, of cooperating on poverty strategies and programme support in a large number of very poor countries. The report for the Africa region addresses this, highlighting the results of poverty strategies, peace processes, regional collaboration and support for the fight against HIV/AIDS.

In Asia, the Middle East and North Africa, there is a large democratic deficit both in the Mediterranean region and the Indochina region, for example. The Government's strategy highlights in particular democratic governance, sustainable utilisation of natural resources, and economic and social development as a priority for Swedish aid.

Almost half of the aid to Latin America goes to democratic governance and human rights. There is enormous inequality in the societies of Latin America, which contributes to a situation where many poor people lack fundamental rights such as access to education and health, and opportunities to exploit natural resources in a sustainable and income-generating manner. The report for Latin America therefore prioritises democracy, peace processes, use of natural resources, and economic and social equality.

In Eastern Europe the relationship to the EU is the dominant perspective. The majority of countries must both complete the transition from an authoritarian centralised state to democracy and a market economy, and simultaneously move closer to the EU. The two priority areas are democratic governance, moving towards the EU, and economic and social development and equality.

Africa

This operational area covers international development cooperation with sub-Saharan Africa with the exception of contributions financed under the operational areas research, humanitarian contributions and conflict-related activities, concessionary credits and non-governmental organisations.

ASSESSMENT OF OPERATIONAL RESULTS

Development cooperation with Africa is guided by thirteen country and region strategies, as well as special guidelines or positions for a number of additional countries. Sida focuses here on results achieved in relation to four goals, which together take a prominent position in the above-mentioned strategies:

- To support the implementation of nationally owned poverty reduction strategies and align approaches in development cooperation to this
- To support peace processes and (re)construction in conflict and post-conflict countries
- To support regional collaboration to resolve transboundary problems
- To support the work to combat HIV/AIDS

Another important goal included in the four areas above is the promotion of democracy and human rights. A further three prominent goals—social development, sustainable use of natural resources, and sustainable economic growth—are covered partly by the goals of supporting nationally owned poverty reduction strategies, supporting regional collaboration to resolve transboundary problems, and supporting the work to combat HIV/AIDS, for which reason Sida considers the majority of the goals for development cooperation in Africa to be covered by this report.

Goal: To support the implementation of nationally owned poverty reduction strategies and align approaches in development cooperation to this

Sida supports the implementation of nationally owned poverty reduction strategies in ten countries in Africa (Tanzania, Mozambique, Uganda, Rwanda, Mali, Burkina Faso, Ethiopia, Zambia, Kenya and Malawi). The goal of these strategies is to reduce poverty in these countries, by means of various types of support, and increasingly by means of programme support (general budget support, sector budget support and sector programme support).

Sida monitors poverty reduction goals via national

household surveys, UN reporting on trends in terms of the Millennium Development Goals, international indicators for democratic governance, national monitoring frameworks linked to poverty reduction strategies, and results matrices linked to general budget support.

Sida has provided budget support to six countries during 2007: Burkina Faso, Mali, Mozambique, Rwanda, Tanzania and Zambia. Since 2005 the proportion of programme support to the African partner countries has increased continuously from 30 to 42 per cent. Within programme support, general budget support has increased, while sector programme support has fallen between 2006 and 2007. In 2007 general budget support accounted for 63 per cent of programme support, compared with 49 per cent in 2006. The increasing proportion of general budget support is primarily explained by the increasing levels of support in Tanzania and Mozambique.

In Rwanda and Mozambique Sida's general budget support has focussed on education, with Sweden participating in monitoring and dialogue within the education sector. The same is planned for aid to the health sector in Zambia. Mali, Mozambique, Tanzania, Zambia and Burkina Faso all increased their proportion of programme support between 2006 and 2007. Mali, Zambia and Rwanda had the highest proportions of programme support at 94, 81 and 69 per cent respectively.

Sida assesses that programme support has been a relevant and effective means of supporting macroeconomic stability and reduced poverty, particularly in the form of providing for the human rights of poor people through access to health care, education, employment and other services. The budget support has further helped to increase poverty-targeted expenditure within areas with a high level of poverty reduction and increased services to the poor, as well as strengthening planning and budget systems. Challenges remain in the form of increased ownership, donor harmonisation, capacity development, tackling corruption, etc. in order to achieve long-term and sustainable development.

General development

New and comprehensive statistics concerning the proportion of absolute poor were published during 2007 for Uganda, Mali and Kenya. A national household survey in Uganda shows a positive trend in terms of the proportion of poor people, which has fallen from 36 per cent in 2003 to 31 per cent in 2006. A national survey for Mali shows that poverty was reduced from 55 per cent of the population in 2001 to 47 per cent in 2006. Kenya's national household survey shows that the proportion of people below the national poverty threshold fell from 52 to 46 per cent between 1997 and 2005/06. The Human Development Index has increased for all ten countries to which Sida provides aid. Economic growth remained high in all the countries during 2006 (just over 6 per cent on average). However, economic growth fell slightly during 2006 in Tanzania and Uganda, mainly as a result of drought and the subsequent energy crisis and high international oil prices. Increased production within agriculture is noted, particularly for Mozambique, Kenya, Malawi and Mali, which Sida considers to be of great importance in reducing poverty, especially in rural areas.

The Millennium Development Goals

Reporting of trends in terms of fulfilment of the Millennium Development Goals has been received during the year from Zambia, Mozambique and Mali. Zambia is considered to be able to achieve all the goals other than maternal mortality and the environmental goal. However, the effects of the HIV/AIDS epidemic may reverse the positive trends unless the epidemic is tackled effectively. Sida has contributed to fighting the epidemic through sector programme support to the health sector and through support to the national AIDS council. Mozambique is considered to be able to achieve half of the goals, and has most difficulty with reducing epidemic diseases and child malnutrition. Mali and Tanzania both have most difficulty in achieving the health-related goals. Tanzania has the greatest difficulties in achieving the goals for maternal and child mortality and epidemic diseases, but is considered to be able to achieve the other goals.

Democratic governance

With regard to development within democratic governance, measured on the basis of six indicators (Voice and accountability, Political stability, Government effectiveness, Regulatory quality, Rule of law and Control of corruption), the trend for the ten countries between 2005 and 2006 is a mixed one: Tanzania, Ethiopia, Uganda, Zambia and Rwanda have improved the most indicators and Kenya, Burkina Faso and Mali the fewest indicators since 2005. Mozambique is at roughly the same level. The indicator which has been most improved is "Voice and accountability", while "Government effectiveness" has been improved least between 2005 and 2006. Where the local perception of corruption is concerned, there was a positive trend between 2006 and 2007, particularly for Tanzania

and Uganda, but also for Ethiopia and Rwanda. For Kenya, Burkina Faso and Mali the trend was slightly negative, while Malawi has shown a drastic deterioration between 2006 and 2007. Perceptions in Mozambique and Zambia have not changed significantly between 2006 and 2007.

Sida has supported the development of democratic governance in all the above countries, both through direct reform support and through dialogue linked to general budget support. Sida considers it is difficult to achieve good results within this area in the short and medium term due to structural problems such as the low level of education and inadequate capacity.

Assessment of results

Zambia, Mozambique, Tanzania, Burkina Faso, Kenya and Mali have jointly set results matrices linked to the poverty reduction strategies, often known as the performance assessment framework (PAF). These function as a basis for annual evaluations of the strategies' implementation and results, and for evaluation of commitments in terms of general budget support. The results matrices have provided donors with an opportunity for joint and coordinated high-level dialogue on issues such as governance, including the question of corruption. They have also served as an operational instrument for Sida's work with perspectives. Representatives of civil society have participated in the dialogue concerning the results matrix and thus the implementation of the poverty strategies. Sida considers this to be an important instrument in terms of increasing domestic demands for accountability and providing the countries' supreme popularly elected and representative bodies, their parliaments, with the opportunity and scope to scrutinise and demand accountability of the governing power.

In the most recent joint evaluations of implementation of the poverty strategies on the basis of the jointly set results matrices, Mozambique achieved 45 per cent of the goals in full and a further 45 per cent of the goals were mostly achieved or achieved with a certain delay. Democratic governance (as last year) and agriculture were the areas where fulfilment was weakest in Mozambique. The poor results within the agricultural sector resulted in Sida reducing its commitment to sector programme support within agricultural. Very good results were achieved within the education and water sectors, and the education sector has generally made great progress over the last five years. In Tanzania the results are considered to be weaker than in previous years, primarily as a result of the energy crisis. Sida considers the lack of effective handling of the energy crisis to have had a negative impact on economic growth, access to resources in the national budget and poverty reduction, and therefore did not increase the general budget support as planned.

Zambia is considered to fulfil 70 per cent of the goals in the 2007 review. It was mainly in the area of public financial control that results were weaker than in previous years, primarily due to a marked increase in the value of the kwacha against other currencies, which led to a fall in

income for the state, plus the costs of the 2006 elections. Particularly good results were achieved for HIV/AIDS, but other results within the health sector were also good. Although Zambia achieved all the goals within the agricultural sector, Sida considers the budget allocations to and within the sector to be insufficient to achieve the long-term goals in Zambia's poverty reduction strategy. Sweden is leading the donors' dialogue with Zambia in this sector.

The joint evaluation in Mali confirmed that economic policy remains stable, with good macroeconomic results. Inflation and budget deficits are considered to have been handled effectively. The pace of reform is, however, considered poor in a number of important areas such as public financial management and the legal sector. Results from the household survey show that the indicators for the social sectors have improved, particularly in terms of access to water, education and health. For example, primary school registrations have increased from 60 per cent in 2001 to 75 per cent in 2007. The corresponding figure for girls is 65 per cent in 2007 (54 per cent in 2006). The number of health clinics has increased from 605 in 2002 to 785 in 2006. The number of infants who die before their first birthday has fallen to 96 per 1,000 in 2006, compared with 113 per 1,000 in 2001. Burkina Faso is also considered to have made satisfactory progress towards the goals set, with important progress being confirmed in certain areas. For example the proportion of children in primary school has increased from 45 per cent in the 2000/2001 school year to 78 per cent in 2006/2007 (from 36 per cent to 73 per cent for girls). Tax revenues were, however, lower than expected. Despite this, Sida considers that planned measures to increase tax revenues are sufficient to bring the country on a par with others in the region.

Good results, particularly within the health and education sectors, are also noted in Kenya, Rwanda and Ethiopia. In Rwanda, Swedish general budget support has focussed particularly on education, with Sida participating actively in dialogue in the sector. Sida considers that great progress has been made, particularly in terms of access to education. The proportion of children in primary school is growing continuously, reaching 96 per cent in 2006. At the same time, however, the shortage of teachers has meant that the number of pupils per teacher is now 70, which is very high in Africa.

During 2007 Sida increased its focus on the importance of results-based management and focussing on the analysis of results in bilateral and joint dialogues. The joint evaluations and recommendations linked to the implementation of the poverty reduction strategies have therefore assumed greater importance. Another key result during the year linked to increased harmonisation and alignment is the adoption of Kenya's Joint Assistance Strategy (KJAS), which was signed by 18 donors during 2007.

Goal: To support peace processes and reconstruction in conflict and post-conflict countries

Sida views support for peace processes and reconstruction as a fundamental prerequisite in being able to create

opportunities for poor people in conflict and post-conflict countries to improve their living conditions.

In 2007 Sida carried out development cooperation in the conflict and post-conflict countries of Burundi, Democratic Republic of Congo (DRC), Ivory Coast, Liberia, Sierra Leone, Somalia, Sudan, Zimbabwe, and assessed regional contributions in the Great Lake Region. Contributions were also made in Ethiopia, Uganda and Angola. The goals for development cooperation in these countries generally aim to contribute to peace processes and support reconstruction initiatives. Among other things this is promoted via contributions concerning democratic governance and programmes for disarmament, demobilising and reintegrating soldiers. Aid for contributions concerning human rights, gender-based violence, repatriation, HIV/AIDS, etc. is also of great importance. Several of these contributions concentrate on the target group of women and children, which is currently often the group worst affected by armed conflicts. Sida's support for women's rights in Sudan, for example, is a strategic role for Sweden, with emphasis on the promotion of women's political and economic participation, and a participatory role in the peace processes.

This has meant major challenges for Sida in working from the rights perspective and the perspectives of the poor in post-conflict situations, where the rights, problems and opportunities of the poor should be at the heart of dialogue, considerations and decisions. Development cooperation in these countries is sometimes conducted on the basis of development plans. With a view to restoring peace, these have been set out in closed negotiations involving international organisations, which impacts on national ownership. Where the state administration is weak, sometimes militarised, and civil society is fragmented, this further complicates the opportunities for reaching marginalised groups.

Where the state falls short in demands for accountability and public control, national civil society and the multilateral organisations become important participants in the work for stability. Although there may be disadvantages in the fact that civil society's agendas do not always reflect the state's priorities, cooperation with these organisations contributes local knowledge and expertise. It also means that the voices of poor people are heard.

However, it is problematic for Sida to measure long-term results in these countries, among other things as a result of weak, unsystematic information systems and the lack of baseline studies. At the same time, feedback is affected by the absence of Swedish embassies in the majority of these countries. In Somalia, as in many other conflict countries, the results to date have been contradictory. On the one hand, the efforts have contributed to local involvement in the reconciliation processes and increased female participation in society. On the other hand, the contributions have not resulted in sustainable national reconciliation, or the avoidance of local conflicts. The current challenges in Somalia are first and foremost

to strengthen the public institutions, increase access to social services, and create opportunities for economic development.

Liberia is a post-conflict country which has experienced a relatively long period of stability, with discernible progress since President Ellen Johnson-Sirleaf took office in January 2006. The government has succeeded in raising tax revenues, and providing parts of Monrovia with electricity and water. Challenges remain, however, such as improving social services and raising employment, particularly among young people. External aid has been important to the country's development. At the same time, there are growing expectations of what the government can achieve, given the country's scant resources and capacity. Among other things Sida's efforts in Liberia have contributed to a far-reaching proposal for restructuring ministries, a decision on a national policy to tackle corruption, and implementation of an evaluation and analysis of the security sector. In addition, traditional leaders have been trained within the framework of a conflict management project. This has made it easier for those in power locally to identify conflict-related issues and communicate on issues affecting the peace process. There are still a number of outstanding problems in the implementation of projects, primarily in the form of difficulties in physically reaching certain parts of the country during the rainy season, lack of capacity among NGOs, and shortage of building materials.

In Uganda the peace processes in Juba have continued between the government and the Lord's Resistance Army (LRA). At present consultation is under way between the parties as to how reconciliation can be achieved. The parties have agreed on three of the five points in the peace agreement. During the year Sida has supported conflict management related to the peace process in Juba via a three-year collaboration with Norway. Sida has also supported the national truth and reconciliation processes, helped to step up women's participation in the peace processes in accordance with Security Council Resolution 1325, and contributed to the government's consultations with the local population in the peace negotiations.

During the year Sida continued to support the "Multi-Country Demobilization and Reintegration Program" (MDRP), which is a regional DDR programme covering Angola, Burundi, the Central African Republic, the Democratic Republic of Congo, the Republic of Congo, Rwanda and Uganda. During 2007 Sida also contributed to DDR contributions bilaterally via UNDP in Ituri province, Democratic Republic of Congo. The aim of the MDRP programme is to demobilise and reintegrate around 400,000 combatants, including child soldiers. By the end of the third quarter of 2007, a total of 295,134 persons had been demobilised (71 per cent of the goal) and 185,267 persons (47 per cent of the goal) reintegrated. During the year activities in the Central African Republic were completed to plan, with 100 per cent goal fulfilment (7,556 persons demobilised and reintegrated). Sida has contributed a total of SEK 60 million to MDRP, SEK 20 million of which

relating to 2007. Sida considers the programme to be well on the way to achieving the main targets, but sees a challenge in bringing about a sustainable phasing-out strategy when the programme is phased out in June 2009.

In Zimbabwe the political, economic and social situation has deteriorated. The political dialogue—led by the South African president Tabo Mbeki—between the government and opposition is ongoing but has achieved only marginal results to date. Relations with the international community remain tense. Based on the current position on development cooperation with Zimbabwe, Sida's contributions during the year have led to a number of strategies being drawn up: a media strategy, a strategy to reduce poverty in urban areas, a strategy to tackle corruption and a strategy for dialogue. The Sida-supported programme "The Roadmap to Peace in Zimbabwe" (CPIA) has helped to bring about political dialogue within and among parties and other organisations. The SAHRIT Child Rights Programme has also enhanced the local community's opportunities for protecting the rights of children. Setting up committees and consultants at village level has proved effective and has helped to create a more protected environment for vulnerable children, particularly girls. The challenge for the donors is how to create opportunities for constructive communication with the government in order to be able to highlight the worsened humanitarian situation, shortfalls in human rights and increasing poverty. Donor-coordinated aid to combat HIV/AIDS and for support to the rights of children, in the form of ESP and the UNICEF Pool respectively, is continuing, and will be further developed. Dialogue and tackling corruption will also be prioritised henceforth, and future development cooperation will depend on the outcome of the ongoing mediation between the government and opposition.

A pilot project for donor coordination in post-conflict countries has been under way since 2007 with a view to increasing the level of goal fulfilment within development cooperation with Sudan. Donor coordination takes place via two joint funds (known as Multi Donor Trust Funds, MDTF) administered by the World Bank, and is based on the principles of the Paris Declaration concerning enhanced donor coordination and aid effectiveness. The MDTFs function as the main financing mechanisms for implementation of the 2005 peace agreement and as the framework for development and peace building in Sudan between 2005 and 2007, the so-called JAM report (Joint Assessment Mission). In addition to implementation of the peace agreement, the JAM framework also aims to realise the Millennium Development Goals. Sida's grant to the funds in Sudan in 2007 was SEK 100 million. This money is financing contributions to survey the direct needs within delivery of social services and to establish democratic government structures. Results of the ongoing (re)construction in southern Sudan can be seen in the fact that basic equipment has been purchased and delivered to 1,000 health centres and 2,600 primary schools. In addition, 88 km of road have been rebuilt and 265 km have under-

gone maintenance. Contributions are also being made to enhance capacity within the administration of federal states and within the police system and prisons administration. Despite significant delays during the first year, Sida considers that the funds are now working satisfactorily and that there is significant ownership on the part of the central government in Khartoum and the government in southern Sudan.

Despite the difficulties linked to contributions in conflict and post-conflict areas, Sida considers that the above examples of support for peace processes and reconstruction have contributed to continued peace and democracy initiatives. This in turn has helped to create opportunities for poor people to improve their living conditions. Sida's conclusion is that it is important to support peace processes, partly for the sake of regional stability and partly because short-term strategic, often humanitarian and transitional contributions, can serve as a bridge to long-term development contributions in the countries concerned. However, it is important not to overlook the risks associated with the transition from humanitarian assistance to a more development-orientated approach. For example, unless it is possible to improve living conditions, there is a risk of conflict resuming.

The lessons learnt during the year are that future processes within development aid should be aligned with the conflict context. For example, greater account should be taken of the countries' limited recipient capacity. The fact that most post-conflict countries are unstable politically and in terms of security demands flexibility within development cooperation in order to be able to respond to changed conditions. Moreover, work on donor coordination should continue in order to facilitate and simplify the receipt of aid by the recipient countries. Monitoring systems should be improved in parallel with this. Development cooperation concerning peace building has a high level of legitimacy and is of the utmost relevance in bringing about sustainable long-term political stability. Nevertheless, enormous future needs remain to be met in the conflict countries.

Goal: To support regional collaboration to resolve transboundary problems

During the year Sida has supported regional collaboration to resolve transboundary problems between states which are of such a nature that they cannot be resolved by sovereign governments. The four main areas within this activity have been collaboration among regional organisations, peace and security, poverty-targeted growth including management of natural resources and trade, and HIV/AIDS. The regional strategies for Africa are: the Strategy for regional cooperation in southern Africa 2002–2008; the Strategy for development cooperation with West Africa 2004–2006 (extended to 2008); the Strategy for the Great Lakes 2004–2008; and the Strategy for support to Lake Victoria 2004–2007.

An example of regional contributions is support for transboundary water resource management. The section

below reports results both from Sida's efforts in southern Africa and from the collaboration concerning the Nile, Lake Victoria and the Volta River. A large number of concrete results have been achieved in comparison with 2006. Transboundary issues entail complicated processes, requiring resources and often involving high-level strategic negotiations.

Transboundary water resource management

In order to contribute to development of shared river basins and bring about increased investments, shared water resources must be allocated and protected in a peaceful and fair way among the upstream and downstream countries which share the river basin. There are more than 80 major watercourses in Africa which are shared by two or more countries, and these areas are home to more than 70 per cent of Africa's population.

Ongoing climate change is affecting access to and distribution of water. Changed precipitation patterns will probably have major consequences for poor people and their ability to provide for themselves. As the competition for water resources intensifies, there is a risk that this may give rise to increased conflicts over water. Joint planning, administration and prevention of conflicts concerning water will therefore become increasingly important.

During 2007 Sida therefore continued to support collaborations concerning shared rivers in southern and eastern Africa: Okavango, Zambezi and Pungwe in the south, plus Kagera, Mara and the Sio-Malaba-Malakisi river system around Lake Victoria.

Thanks to aid from Sweden, in 2007 Angola, Botswana and Namibia, which share the Okavango River, established a secretariat to strengthen collaboration among the countries. In the context of cooperation concerning the Okavango's watershed, Sida is also supporting a programme which aims to increase local participation in decision-making processes and improve the opportunities of the people living from and around the river to provide for themselves.

Sida considers that this is creating opportunities and capacity to discuss and reach an agreement on the distribution of the water resource among the countries by peaceful means. It also provides a forum for regional collaboration which, through positive experiences and increased trust among the parties, can facilitate collaboration in other sectors.

The Pungwe River

During 2007 Mozambique signed an agreement with Sweden, based on a cooperation agreement with Zimbabwe, concerning aid for implementation of the Sida-financed administration strategy for the Pungwe River.

The launch of the joint strategy attracted great attention, both regionally and globally, and is seen as one of the first of its kind. As an effect of the information on the expected consequences of climate change, the new agreement con-

cerning Sida's continued support for the Pungwe River also includes support for smaller investments and critical development projects of great importance to poor people living along the river. It is too early to say anything about the results, but the goal is for the people to be able to strengthen their adaptation strategies to counter undesirable climate changes through the countries being able to predict and better control the flow of water in the river.

Careful climate studies carried out by SMHI/UNDP for the Pungwe river basin clearly show a number of negative consequences of a reduced water supply, such as reduced production of staple foods and increased demand for irrigation to compensate for the lack of rain and the increased evaporation. There is a growing need to replace existing crops with more tolerant varieties, water quality is deteriorating (with the risk of negative impacts on health) and the supply of fish is falling. All this leads to increased competition for already scarce natural resources. One lesson is that these consequences will require the countries to draw up adaptation strategies to reduce the effects, first and foremost for poor people in already dry areas.

The Zambezi River

During 2007 further steps have been taken to establish an interim secretariat for collaboration concerning the Zambezi River. The entry into force of the agreement for the river commission will create long-term opportunities for improved collaboration among the eight countries which share the Zambezi River. The collaboration is being jointly supported by Denmark, Norway and Sweden, with Sida as the lead donor. A digital information system for handling and updating hydrological and meteorological data (ZAMWIS) was developed in 2007 and, in parallel with this, work has continued to draw up a development strategy for the entire watershed. Both these activities have led to increased exchange of information and mutual trust among the countries, as well as to the creation of better conditions for countries downstream to prepare themselves for predicted increases in water flow and for drought.

Work to consolidate the national steering committees for collaboration concerning the Zambezi River in the respective countries has also continued. The committees are paving the way for broad ownership and a broad understanding of the importance of fair and effective administration of the river. These institutions have also proved to be a very important forum for various types of water-related processes requiring participation and consultation within the watershed. Over a three-year period the participants in these steering committees will have the opportunity to participate in a Sida-financed International Training Programme (ITP) on integrated water resource management and conflict management, provided by Swedish consulting companies and organisations. During the year a total of 24 persons from both the technical and political environments in the countries within the Zambezi's watershed completed the training programme the first

time it was held, and a further 27 persons began the training programme in 2007. Evaluation of the training programme shows that the participants were generally positive and that the training programme is useful for their continued work. A further 29 participants from the Lake Victoria area completed the training programme in 2007, and also provided positive feedback in the evaluation.

The Nile

An example of how transboundary institutions for integrated water resource management are paving the way for collaboration and investments among countries is provided by the transboundary institutions in the process of being developed regarding the Nile within the Nile Basin Initiative (NBI).

Sida, together with NORAD, has since 2005 been supporting transboundary water resource management within NBI's Nile Equatorial Lakes Subsidiary Action Programme (NELSAP) for three rivers shared by Kenya, Uganda, Tanzania, Rwanda and Burundi. Within NELSAP, transboundary investments of almost USD 400 million are currently planned within the energy area, as well as a number of other contributions within the area of natural resources. This type of technical and economic cooperation is also an important building block for the closer regional political collaboration which is planned through the establishment of a river commission for the entire Nile.

Negotiations concerning joint management of the water resource in the watershed, which had been under way at ministerial level for several years between Burundi, Rwanda, DRC, Kenya, Tanzania, Uganda, Sudan, Ethiopia and Egypt, were concluded in 2007. It was not possible to reach agreement on all issues, which is why the negotiations will now have to be completed at head of state level.

The Lake Victoria region

The Lake Victoria Basin Commission (LVBC) is an international body under the East African Community (EAC) with the task of reviewing legislation, and developing, coordinating and monitoring development in the Lake Victoria region, which includes five countries (Burundi, Kenya, Rwanda, Tanzania and Uganda).

Sida has worked closely with EAC since 2001, and has successfully contributed to the establishment of LVBC and collaboration concerning the lake. Sida has also been successful in working to ensure that ownership of the extensive Lake Victoria Environmental Management Programme has been shifted from the World Bank to LVBC for the phase which is expected to begin during 2008. During 2007 LVBC opened its office in Kisumu and developed a strategic activity plan for 2007–2010 covering both joint water resource management and investments and transport on the lake. During 2007 Sida also helped to bring about closer institutional collaboration between LVBC and NBI.

During 2007 Sida commissioned a strategic environmental study of the Lake Victoria region, including the impact of climate change. For eastern Africa and Lake Victoria, the climate models available show that the supply of water will initially fall slightly, and then increase again. This change is the result of the dynamic interaction of increasing precipitation and higher evaporation driven by the global rise in temperatures. The models are uncertain, but everything points to increased variation in precipitation and with it a greater risk of floods and drought.

The Volta River

In West Africa, 2007 saw the completion of the first phase of the project “Improving Governance in the Volta River Basin” (PAGEV), co-financed by Sida and the Dutch WANI fund. The project, which was implemented by IUCN, stemmed from extreme political tension between Ghana and Burkina Faso. The Volta Basin Authority has the task of promoting and coordinating sustainable water resource management among the six states affected by the Volta River and its basin.

Another important result achieved during the year was Sida’s active effort to strengthen coordination and harmonisation with other donors in southern Africa concerning transboundary water issues. Concrete progress has been made on donor coordination in collaboration with SADC. Among other things, a division of work and roles between SADC and the donors was drawn up in line with the Paris Declaration (2005) and the Windhoek Declaration (2006).

During the year Sida has also been instrumental in the dialogue with EAC/LCVC in establishing effective donor coordination and in the harmonisation of financing mechanisms. In eastern Africa the majority of countries have Joint Assistance Strategies with a strong sector focus. This is in line with the Paris Declaration, but simultaneously requires regional collaboration not to establish parallel structures for financing and implementation. EAC/LCVC has an important coordinating and harmonising role to play here, among other things through the Operational Strategy 2007–2010.

To summarise, Sida considers that Swedish aid has played an important role in establishing and developing democratic collaboration structures with a view to being able to allocate and protect water resources among the countries which share them. The aid has also made a tangible contribution to the countries’ abilities to predict the consequences of climate change and to develop adaptation strategies as part of an integrated approach to water management.

Goal: To support the work to combat HIV/AIDS

In Africa Sida has worked to tackle HIV/AIDS both at regional level and through bilateral programmes. The overall goal of the activity is to reduce the spread of HIV-infection and to improve the living conditions of people infected with HIV and their families. The bilateral cooperation includes both direct contributions to tackle the

spread of HIV and contributions to an integrated approach to the sector within other areas of Swedish aid, via “mainstreaming”.

UNAIDS’ annual statistics show that during 2007 an estimated 1.7 million people have been infected with HIV in Africa, a reduction from the figure of 2.2 million newly infected persons in 2001. Sub-Saharan Africa remains the area worst affected by the HIV/AIDS epidemic. It is estimated that 22.5 million people are now living with HIV, up from 20.9 million in 2001. In contrast to other regions of the world, the majority of those infected are women (61 per cent).

South Africa is the country with the highest number of persons infected with HIV. However, prevalence among adults has begun to stabilise, or even fall. A positive trend is discernible too in Kenya, Zimbabwe, Ivory Coast, Mali and urban areas of Burkina Faso, largely due to changes in attitude and behaviour. In the eastern parts of Zimbabwe, men and women have started to avoid having sex with “non-regular partners”. It has also been found that women are increasingly starting to use condoms with “non-regular partners”.

Botswana is one of the worst affected countries in southern Africa, with an HIV prevalence among pregnant women of over 30 per cent. 50 per cent of all hospital admissions concern illnesses related to HIV/AIDS. Sida provides bilateral support to the country’s local councils to better enable them to provide treatment and reach out with HIV/AIDS prevention programmes in the local districts. Sida assesses that the most important work in the fight against HIV/AIDS is done at local level in the districts and by local authorities. Another example of bilateral contributions is support for voluntary organisations in South Africa based on a strategic plan for 2007–2011. The plan has been drawn up in close collaboration with civil society, which is considered to make implementation of the plan significantly easier.

Sida has been engaged in extensive regional work on HIV/AIDS in Africa since 1999, since 2006 in collaboration with Norway. The Swedish-Norwegian team in Lusaka provides support and advice to Swedish and Norwegian embassies, and assesses and finances support for regional and international organisations.

Sida in Lusaka and the UNAIDS office in Johannesburg now represent the two major knowledge centres for regional contributions in Africa. During the year Sida has entered into an agreement with UNAIDS to strengthen the planning capacity of the national AIDS agencies responsible for coordinating and monitoring the contributions at country level.

During the year studies have been presented which show that male circumcision reduces men’s risk of being infected with HIV by 60 per cent. As a result of these studies, in March 2007 WHO and UNICEF recommended that countries with a high HIV prevalence should include male circumcision in their preventive programmes. Further to these recommendations, a seminar was arranged which

included presentation of a successful male circumcision programme in Zambia.

The Sida-supported expanded HIV/AIDS unit in the Southern African Development Community (SADC) has been at the forefront of collaboration with the national HIV/AIDS agencies in the region. Among other things, this collaboration has led to the creation of a regional strategy to reduce the spread of HIV covering the period 2008–2010.

The regional programme “International HIV/AIDS Alliance 2005–2007” was evaluated in 2007. The aim of the programme has been to raise the quality of activities within HIV/AIDS prevention and care, and to facilitate campaigns to tackle HIV on the borders of countries in sub-Saharan Africa. The evaluation shows that the programme made progress in becoming a cohesive regional programme for raising the quality of HIV prevention and for capacity mobilisation within the region. Certain challenges remain, however, in the form of lack of harmonisation of information and limited implementation capacity on the part of cooperation partners. The evaluation also highlighted the importance of working with local organisations and with activities such as care in the home, with a view to encouraging patients to take medication and thus helping to reduce the stigma attached to HIV/AIDS.

Leadership and, above all, political leadership are keywords in efforts to combat the HIV epidemic. Political leadership enables the countries to take ownership in the fight against the epidemiological development. During the year Sida entered into an agreement with the Parliamentary Forum for SADC (SADC-PF) concerning support for the organisation’s strategic HIV and AIDS plan for 2006–2011. SADC-PF’s ambition is to train parliamentarians in southern Africa to deal effectively with HIV and AIDS issues.

Other organisations which are important cooperation partners in the region in terms of getting HIV on the political agenda are the East African Community (EAC) and the African Union (AU). Sida has long worked with EAC to bring about a strategic plan for EAC’s work on HIV/AIDS issues, and the plan was finalised in 2007. Sida has also decided to assess aid to EAC for implementation of the plan.

Sida considers support for efforts to combat HIV/AIDS to be of the utmost relevance to today’s development cooperation with the African countries. The efforts help to create opportunities for poor people to improve their living conditions.

ANALYSIS OF OUTCOME

The total outcome for the Africa operational area in 2007 was SEK 4.44 billion, which is approximately 29 per cent of Sida’s total outcome. Compared with the allocation in the Government’s letter of appropriations for 2007, the outcome was equal to around 91 per cent of the amount allocated to this operational area.

Outcome in 2007 was around 5 per cent lower than 2006, but 16 per cent higher than 2005. The reduced out-

come in 2007 should be seen as temporary and is mainly a consequence of a reduced proportion of general budget support in relation to what had been planned, postponed disbursements as a result of inadequate reporting, slow rate of implementation and suspected irregularities.

The proportion of project support has fallen slightly compared with 2006, but still represents the dominant form of aid at 54 per cent of outcome (55 per cent in 2006). The proportion of programme support in 2007 increased to 37 per cent (35 per cent in 2006) as a result of the increase in general budget support.

At sector level, four sectors account for a total of 74 per cent of total outcome (71 per cent in 2006). Activities have increasingly been concentrated in these sectors, which are: budget support for poverty reduction (22 per cent), health (20 per cent), democratic governance (18 per cent) and natural resources (14 per cent). The proportion of budget support is considerably higher than 2006, primarily as a result of increased amounts for Mozambique and Tanzania.

Tanzania and Mozambique were the main partner countries in 2007, again accounting for 30 per cent of total outcome, followed by Zambia, Kenya and Uganda. Outcome for both Kenya and Uganda was lower than planned. In Kenya, disbursements totalling SEK 44 million were delayed as a result of delays in audit work. Pending a decision on a new cooperation strategy, Sida discontinued its assessment of planned budget support of SEK 60 million to Uganda.

Organisations in the partner country continue to be the dominant channel, with 57 per cent of outcome being made via these channels in 2007, i.e. roughly the same level as 2005 (53 per cent in 2006). The multilateral proportion remained unchanged at 16 per cent, but has increased by four percentage points since 2005.

The number of contributions has fallen by 64 from 1,409 in 2005 to 1,345 in 2007. The number of new contributions has also fallen since 2005, by 41, as has the number of major contributions. One main reason for this is the restriction in the Government’s letter of appropriations for 2007 on entering into agreements beyond 2008 pending newly adopted cooperation strategies.

Total administrative expenses calculated by country and in relation to the volume of outcome are approximately 7 per cent. The three main countries, Mozambique, Tanzania and Zambia, are below this level at between four and five per cent, while Kenya and Uganda are above this level at seven and eight per cent respectively. The relatively higher administrative expenses are primarily due to planned budget support of around SEK 60 million to Uganda which was never paid, and to the fact that the outcome of appropriations in Kenya fell by SEK 71 million compared with 2006.

Total administrative expenses for the main sectors in terms of outcome in relation to outcome volume are 7 per cent. The figure for democratic governance is 9.7 per cent, as this sector is more labour-intensive than other sectors,

with a strong focus on dialogue, lower-volume contributions, and a larger number of contributions with a larger number of cooperation partners. The figure for natural resources and environment is 8.5 per cent. This sector involves a large number of regional contributions requiring greater administrative support, both in the field and from sector departments. At 5.2 per cent the health sector has

higher contribution amounts, often via sector programme support or sector budget support, making the administrative proportion lower. Administrative expenses for the budget support sector are only 2.6 per cent, which can partly be explained by the high level of collaboration with other donors in joint mechanisms for assessment, monitoring and dialogue.

Table 3.

Africa, expenditure in SEK '000

The main partner countries 2007	2005	2006	2007	Administrative expenses 2007
Mozambique	610 494	744 341	670 661	26 168
Tanzania	552 054	637 789	668 878	23 743
Zambia	194 373	345 451	360 488	18 415
Kenya	274 858	352 484	281 387	19 608
Uganda	183 234	309 639	238 189	17 969
Other countries/regions	2 009 293	2 280 988	2 221 481	196 160
Total costs	3 824 306	4 670 692	4 441 083	302 063
Type of support				
Project support	2 214 170	2 557 665	2 387 072	
Technical assistance, incl. contract-financed technical cooperation	33 575	48 091	51 436	
International training programmes	8 548	25 841	32 689	
Credits	-588	7 107	-917	
Guarantees	0	0	0	
Programme support	1 150 237	1 612 772	1 637 817	
<i>of which general budget support</i>	665 000	792 000	966 250	
<i>sector programme support</i>	485 237	820 772	671 567	
Humanitarian assistance	196 985	193 061	138 015	
Research	18 142	23 609	9 854	
Grants to NGOs	203 236	202 546	185 117	
Total costs	3 824 306	4 670 692	4 441 083	
Channels				
Multilateral organisations	448 082	746 810	706 854	
Swedish organisations	544 233	640 699	591 631	
Organisations in partner countries	2 196 470	2 476 734	2 541 836	
Organisations in other countries	511 344	637 622	407 571	
International NGOs	124 177	168 826	193 192	
Total costs	3 824 306	4 670 692	4 441 083	
Main sectors				
Health	711 795	879 794	888 510	44 901
Education	269 506	272 454	178 065	14 071
Research	5 110	3 836	6 380	2 479
Democratic governance and human rights	803 547	954 210	801 241	74 428
Conflict, peace and security	68 443	111 687	98 359	11 595
Humanitarian assistance	33 596	40 620	36 022	7 889
Infrastructure	468 580	467 147	362 243	31 045
Trade, industry and financial systems	112 348	164 129	171 933	21 503
Natural resources and environment	515 672	713 171	628 276	51 092
Budget support for poverty reduction	665 000	792 000	966 250	24 497
Other sectors	170 709	271 644	303 803	18 562
Total costs	3 824 305	4 670 692	4 441 083	302 063
Number of valid contributions	1 409	1 374	1 345	
<i>of which > SEK 15 million</i>	40	58	37	
<i>number of new contributions</i>	296	255	255	

Negative amounts relate to repayments.

Total costs for the operational area include outcome for staff financed under the development cooperation appropriation. For total costs excluding this, see Annex 3.

Asia

This operational area covers international development cooperation with Asia with the exception of activities financed under the operational areas research, humanitarian assistance and conflict-related activities, concessionary credits and non-governmental organisations.

ASSESSMENT OF OPERATIONAL RESULTS

Sida's activities in Asia are governed by nine cooperation strategies and a regional strategy for Southeast Asia which also contains bilateral elements for five countries. The goals identified as the most prominent for this operational area are:

- democratic governance based on respect for human rights,
- promotion of sustainable use of natural resources and protection of the environment, plus
- economic and social development and equality.

Almost 90 per cent of the expenditure for this operational area can be attributed to the above goals. Other goals represent such a small share that Sida has decided not to include them in the present report.

An enormous amount of work has been done within this operational area to develop a model for the production of results matrices. The starting point for this work has been the proposals for cooperation strategies which were submitted to the Swedish Government in 2006, but on which no decision was taken as a result of the recently concluded country-focusing process. Development work has been conducted in conjunction with the respective embassy, based on the supplements to guidelines adopted by the Government in September 2007. The aim of the work is to increase goal fulfilment within the operational area.

Goal: Democratic governance based on respect for human rights

One prerequisite for reducing poverty in a long term and sustainable way is the existence of a responsible, functional and democratic state. Expenditure in this target area in 2007 accounts for just under 30 per cent of total expenditure for the operational area.

The section below contains a number of examples to illustrate results within this goal. The selection of contributions is based, among other things, on the main partner countries, evaluations completed during the year, and the

studies carried out for the mid-term reviews conducted during the year in Laos and Vietnam.

Afghanistan

Afghanistan is one of the world's poorest countries and one of its most serious trouble spots. There is an enormous need for help from the outside world. Afghanistan is one of the five main partner countries within the operational area, receiving almost SEK 340 million in aid during 2007.

The Afghanistan Reconstruction Trust Fund (ARTF), administered by the World Bank, was established in 2002 to facilitate the reconstruction. By July 2007 a total of 27 donors had made pledges. Sweden's share of the total aid to ARTF is approximately 3 per cent. Sida's aid in 2007 amounted to SEK 130 million, with a total of SEK 330 million planned for the period 2006–2008. An effective salary system has been established within the framework of ARTF and around 220,000 public-sector employees, primarily teachers, have had their salaries paid during 2007. Donor harmonisation and coordination have increased thanks to ARTF, leading to a reduction in administrative expenses. The work of the Afghan authorities has been facilitated, and capacity has been developed.

Another prerequisite for democratic development is development of civil society. Sida has therefore earmarked aid of SEK 35 million per year, within the above-mentioned allocation to ARTF, for the National Solidarity Programme (NSP). This programme mobilises villages through democratic elections to "village councils". The village councils draw up the local community's development priorities, which are then co-financed between the village and NSP. The status of women has been strengthened through NSP, with women in most cases participating in village councils or having a separate village council. At present 345 of a total of 346 districts nationwide are covered by NSP.

A functional parliament is a prerequisite for developing and strengthening democracy. Through the United Nations Development Programme (UNDP) Sida has contributed capacity development aid of SEK 10 million to the popu-

larly elected parliament in Afghanistan. Parliamentarians have received training, for example in legislation. During the year a group of nine members of parliament visited Sweden, among other things to study the workings of the Swedish parliament and how the authorities responsible for administration of justice operate. Sida has also contributed to modernisation of the administration, lower operating costs and essential infrastructure within the parliament, for example computers, IT services, rental of premises, security costs and transport.

Vietnam

Sida has supported the reform process under way in Vietnam in various ways. Vietnam is one of the five main partner countries within the operational area, with expenditure amounting to approximately SEK 285 million in 2007. The aim of the contributions is first and foremost to contribute to democratic development with a sound income distribution policy and greater respect for human rights. The current cooperation strategy required Sida, in connection with a mid-term review carried out at the start of 2007, to report on the effects of the development cooperation in terms of democracy and respect for human rights using indicators compiled jointly with Vietnam. The outcome would then influence the ongoing work. A study carried out points to clear improvements in terms of democracy and human rights within the three selected areas of health, decentralisation and the legal sector. According to the study, the biggest improvements have been achieved with respect to women, children and ethnic minorities.

The study shows that 15 years of Swedish aid to the health sector in Vietnam have led to improved development of general strategies, policies and legislation. Under-resourced and remote areas have gained increased access to health care, among other things through mobile teams of doctors and a subsidised programme for access to free care. Access to safe and reasonably priced medicines has improved. Support has been given to local production of good-quality medicines.

Swedish support to the legal aid programme has contributed above all to an improvement in people's opportunities for asserting their legal rights, partly through development of legislation in the legal aid area and partly through a higher proportion of the population gaining access to legal advice, including by means of mobile legal aid clinics.

The study also shows that Swedish support for Vietnam's reform of the public administration has contributed to the development and revision of legislation and strategies for decentralisation with a view to bringing public decision-making closer to the population. Among other things aid has been provided for capacity expansion to strengthen regional and local administration. The study shows further that poor people and those with limited resources in rural areas are increasingly being given information and becoming involved in the planning and monitoring of public management and local poverty strategies.

Laos

The promotion of democracy and human rights is an important part of Sida's cooperation with Laos. This work seldom requires large inputs of financial resources but rather personal resources, time and commitment. Since 2003 Sweden and Laos have been engaged in an intensive and trustful dialogue on human rights within the framework of an informal working group. Expenditure on contributions within the area of human rights and democratic governance amounted to around SEK 34 million in 2007.

Contributions financed by Sida focus on reforms in the legal sector, support for decentralisation, human rights training for prosecutors, and support for local radio stations. The progress reported cannot always be directly linked to the work carried out in the working group or within the above-mentioned contributions. Sida considers that this work has contributed to the progress made, and to increased openness on the issue of human rights and democracy.

The cooperation strategy for Laos 2004–2008 required Sida, in connection with a mid-term review, to produce indicators and report the effects of the development cooperation in terms of democracy and human rights. The results of this work were then to influence the ongoing work. Three studies point to improvements concerning human rights, the state built on the rule of law, reforms and democracy. The study of human rights in Laos 1998–2006 confirmed that certain improvements had been achieved over the last five to ten years in the areas of human rights, reforms and democracy. External organisations such as the United Nations Children's Emergency Fund (UNICEF), Save the Children and the Swedish embassy have been given permission to visit prisons and detention centres. The legal community has been reactivated. Constitutional changes have been adopted, among other things increasing the influence and independence of the courts. A new and comprehensive law reinforcing the rights of children was adopted by the national assembly in December 2006. Laos' ranking on the United Nations Development Programme (UNDP) Human Development Index improved from 143 to 130 between 2002 and 2007.

In 1998 Laos ratified three key conventions, covering racial discrimination, discrimination against women, and children's rights. In 2007 Laos signed a further two conventions, concerning civil and political rights and economic, social and cultural rights. Two additional protocols to the Convention on the Rights of the Child have also been signed, concerning children in armed conflicts and child trafficking. Reporting to the UN's convention committees has improved during the period.

Cambodia

Most evaluators consider increased decentralisation and delegation of functions and resources to be prerequisites for reducing poverty in Cambodia, and for poor people to have opportunities to influence decisions and demand accountability.

Since 1994 Sida has contributed just over SEK 400 million to the development of democratic institutions at sub-national level with capacity to stimulate local development and popular participation. Evaluations and research reports indicate that municipal reform and support for this is the most successful example of the development of national democratic structures and systems in Cambodia. The reform is seen as an important factor in the relative success of the reconciliation process at local level, and in Cambodia not having reverted to a conflict situation.

During 2007 Sida headed the donor group for coordination of support for the decentralisation reform, contributing SEK 6 million to the municipal elections in April 2007. Turnout in the 1,621 districts fell in relation to the previous elections (to 67.8 per cent) but the way in which the elections were conducted indicates an improvement in the election process, with fewer elements of threats and violence. The number of female members of municipal councils increased from 9 to 14 per cent.

During 2007 Sida disbursed just under SEK 2.5 million in general organisation support to the Cambodian organisation the Documentation Center of Cambodia (DC-CAM), which works to gather documentation on and raise awareness of what happened in the country under the rule of Khmer Rouge. Among other things the materials collected will provide a central body of evidence for future proceedings against Khmer Rouge leaders in the international tribunal, the Extraordinary Chambers in the Courts of Cambodia (ECCC).

Regional

Promotion of democracy and human rights (HR) is a priority area within the regional strategy for Southeast Asia. Particular emphasis is placed on the importance of supporting a strong civil society in order to scrutinise decision-makers and strengthen respect for HR. Sida's support for the regional organisation Forum Asia (FA) amounts to SEK 6.6 million for the period 2005–2007. The aim of the support is to improve the work done by the organisation to bring influence to bear concerning HR mechanisms, and to consolidate networks among FAS 31 members in the region.

FA was evaluated in 2007 with a view to seeing which results had been achieved in relation to the aim of the aid. The study identified 35 results, which can be seen as significant in view of the difficulties of compliance with HR in the region. FA has successfully increased the promotion and application of UN-supported HR mechanisms such as the International Criminal Court, international conventions and treaties. FA has further helped to bring about an improvement in democratic governance and administration of justice in Nepal through direct support to national member organisations. FA has also helped to enhance the work done by HR activists and NGOs to influence attitudes and build networks, for example in Nepal and Mongolia. FA has helped to improve the application and monitoring of public-sector HR commissions in Nepal, Mongolia and

Sri Lanka through consultations and meetings. FA has strengthened two HR networks in the region: Solidarity for Asian People's Advocacy (SAPA) and the Asian NGOs' network on National Human Rights Institutions (ANNI), by working more successfully for states' fulfilment of their respective HR undertakings. Sida's evaluation of the results is that FA has been successful, playing a major role as a regional initiator, support pillar and inspiration for the work of national NGOs to promote HR in Asia.

India

Development cooperation in India concentrates on democracy and human rights, environmental protection and scientific collaboration with the focus on knowledge development for poor people.

Since 2005 Sida has supported capacity development totalling just over SEK 38 million via the Swedish Association for Sexuality Education (RFSU) to the youth programme run by MAMTA, an Indian voluntary organisation. In 2007 this contributed to MAMTA being engaged by the Indian national AIDS programme to produce a model for local youth workers to carry out HIV-prevention work with the most vulnerable women, young people and children in rural areas. This model will be implemented in 250 districts in the period 2007–2012. An independent evaluation shows that research, lobbying, and information on sexual and reproductive rights have all been strengthened. One example is the database which has been established as a result of support with a view to analysing demographic, social and behavioural data related to sexual and reproductive health and rights. When the evaluation was carried out, the database had 116 registered users, the majority of whom belonged to academic institutions.

Sri Lanka

In Sri Lanka cooperation has focused above all on contributions for peace, democracy, human rights and economic development which benefit the poor. For example, since 2005 the Swedish National Police Board has worked with the Sri Lankan police to strengthen civilian police operations in the country, with a particular focus on more effective police investigations. Total expenditure for the period was approximately SEK 20 million. A total of around 2,270 crime scene investigators have been trained and appointed to forensic laboratories across most of the country. Evaluations show that the number of cases where technical evidence is used in criminal investigations increased from 593 to 2,936 between 2006 and 2007.

Goal: Promoting sustainable use of natural resources and protection of the environment

Expenditure on this goal in 2007 accounted for approximately 20 per cent of the total expenditure on the operational area. The selection of contributions is based, among other things, on examples from our main partner countries and a report on the results achieved by Sida's environmental secretariat during the year.

Vietnam

One of the goals of development cooperation in Vietnam is to promote opportunities to reduce poverty in a long-term and environmentally sustainable way. This work is carried out by the Ministry of Natural Resources and Environment (MONRE). In 2007 the Ministry received around SEK 46 million from Sida for a programme entitled Strengthening the Environmental Management and Land Administration (SEMLA). Swedish agencies such as the Environmental Protection Agency and equivalent agencies in Vietnam are also involved.

Examples of concrete results during the year include further improvements in Vietnam's legislation and regulations for sustainable use of natural resources and protection of the environment. Among other things, Vietnam's National Assembly has adopted a new law on use of chemicals. With support from the SEMLA programme, MONRE has also drawn up detailed rules for improved application of the environmental protection act. This work includes the drafting of a new body of regulations for implementation of strategic environmental analyses (SEA) and environmental impact assessments (EIA). A new partnership has been established within the Ministry of Agriculture for supply and use of water resources. In common with the majority of other partnerships for improved use of natural resources, this receives support from Sida.

Laos

In Laos Sida is working, among other things, to create better opportunities for environmentally sustainable development. Sida is supporting both the long-term development of the Water Resources and Environment Administration (WREA) and its efforts to regulate and coordinate environmental work in the country. Disbursements for this in 2007 were just over SEK 12 million. Results in 2007 include the establishment of a section for emission control, and two new dedicated units for environmental impact assessments within hydroelectric power and mining, which are of ever-increasing economic importance. The units will train staff in environmentally sustainable development. Sida views these organisational changes as steps in a process to strengthen the national system of environmental management.

Regional

As part of the regional cooperation in Southeast Asia, in 2002 Sida established the Swedish Environmental Secretariat for Asia (SENSA) in Bangkok. Via SENSA, Sida supports regional cooperation for sustainable development and creates platforms for dialogue between countries. The Secretariat also works for increased environmental cooperation between Sweden and Asia, in the first instance with the countries of Southeast Asia. During the year Sweden has broadened the interfaces by signing agreements with the Swedish Program for ICT in Development (SPIDER), the Thailand Environment Institute (TEI) and Partnerships in Environmental Management for the

Seas of East Asia (PEMSEA). Within the context of support to the Asian Development Bank's (ADB) environmental programme for the Mekong region, Sida has worked during 2007 to deepen multilateral environmental cooperation with respect to analysis of environmental impacts in planning the countries' transport and energy sectors. Sida has also institutionalised regional cooperation in the chemicals field in collaboration with the Swedish Chemicals Agency. During the year Sida's support for a regional research network via the Stockholm Environment Institute (SEI) resulted in closer collaboration among national research institutes in the region. In collaboration with UNEP and the Asia-Europe Environmental Forum (ASEF) during the year, Sida has also created platforms, for example for sustainable urbanisation. During the year Sida took an active part in developing new statutes for the Asian Institute of Technology (AIT), and was also elected as a member of the Board of Environment School (SERD). At the initiative of China's environmental authority (SEPA), Sida participated in the planning and financing of an initial environmental summit between China and ASEAN on the theme of strategic environmental analysis. A concept has been drawn up for support for sustainable urbanisation processes in Asia. As a result of Sida-financed support for a roundtable conference on the theme of capacity development for green GNP and sustainable consumption/production, the government in Cambodia has established a governmental committee to promote environmentally sound economic growth and sustainable consumption.

Goal: Economic and social development and equality

In 2007 this goal accounted for approximately 40 per cent of total expenditure for the operational area. The section below provides a number of examples to illustrate the results within this goal. The selection of contributions is based, among other things, on the main partner countries, evaluations completed during the year, and the results analysis for Mongolia.

Afghanistan

Fulfilling the right to education is a prerequisite for tackling poverty and developing democratic principles in Afghanistan in the long term. Sida provides support of around SEK 100 million per year to the education sector via UNICEF and the Swedish Afghanistan Committee. It is estimated that more than 5 million children attended primary school in 2007, a clear increase compared with 2001, when the figure was below 1 million. Ability to read and write remains low in Afghanistan. Only 37 per cent of all men and 10 per cent of all women are able to read and write, and only a small number of those who begin their schooling complete it. Twice as many boys as girls complete their education. Other problems are the shortage of school buildings, materials and the quality of teaching, problems which have been further exacerbated by conflicts in large parts of the country.

Vietnam

In the period 1998–2004 the Vietnam Chamber of Commerce and Industry (VCCI) and the International Labour Organisation (ILO) received Swedish aid totalling SEK 24.7 million to implement the programme Start and Improve your Business (SYIB). The programme offers business management training in entrepreneurship for owners and managers of small and small-scale companies. The programme has been conducted in collaboration with partner organisations in Vietnam. The evaluation carried out in 2007 confirms that all the quantitative targets have been achieved: number of courses held, number of future trainers and teachers trained, and number of participants and number of partner organisations involved. One important result is that modern management training has been introduced into everyday Vietnamese life, including via organisations such as Women's Union and youth groups.

The study bears witness to greater self-confidence among the participants in terms of enterprise and ability to analyse the market. It is important to note that 46 per cent of the participants were women, which has strengthened the position of women in rural areas, where many of the courses were held.

Bangladesh

The health sector programme in Bangladesh—Health, Nutrition and Population Sector Programme (HNPS)—was started in 2005 with support from 18 donors, and is one of the world's largest aid-financed health programmes, with a budget in the region of just over USD 4 billion. Sida's contribution is a five-year aid package worth a total of SEK 0.5 billion, which represents approximately 2 per cent of the total budget. This is the largest individual aid payment Sida has ever made for health care.

Key results include implementation of a vaccination programme for children in 100 (of 507) sub-districts, which has helped to reduce infant and child mortality. In addition, 100,000 pregnant women in the 21 poorest sub-districts have been given free health checks, and five million women in 105 sub-districts have been given access to free antenatal care. These measures have been carried out with a view to tackling the high level of maternal mortality. Today only 13 per cent of births take place in the presence of a doctor or other trained health care professional, which presents a serious risk of maternal mortality.

In parallel with this Sida is supporting, via three Bangladeshi SRHR organisations, an initiative to train health care professionals other than doctors to perform early abortions ("menstrual regulation") in a medically and clinically correct manner. Expenditure on this amounts to just under SEK 3 million in 2007. An evaluation of the organisations shows that the initiative has been carried out correctly and that early abortions can be carried out by experts other than doctors. The number of abortions carried out legally between July 2004 and

December 2006 was 175,538; the target was 186,250. However, monitoring is important to ensure that this service is reaching the very poorest people, and that the quality of the initiative is being maintained.

Sri Lanka

During the year Sida financed SEK 13.5 million of UNICEF's country programmes within education, health care and child protection in Sri Lanka. The country programme has enabled the development of schools and improvement of the country's health structure. One result is that the number of pupils within primary education has increased. Infant and maternal mortality have fallen, as has the level of malnutrition in children. Within the child protection area, the situation has been significantly worsened as a result of the growing armed conflict. UNICEF's work is further complicated by the fact that several ministries and agencies share responsibility for child protection, in contrast to the work within education and health care.

Mongolia

The volume of Swedish development cooperation with Mongolia in the period 2002–2006 was SEK 161 million, SEK 68 million of which was set aside for a soft loan for rehabilitation of transmission networks in central Mongolia. The general target for the period has been to support reform processes and institutional development to promote democratic social development and human rights. A results analysis carried out during 2007 shows that the short- and medium-term effects of the Swedish contributions have been an increased awareness of modern management methods among Mongolian cooperation partners involved in reform processes, primarily within public administration at central and local level. The programme has provided 10,000 of Mongolia's 120,000 public-sector employees with training in co-determination, participation and decentralisation. Local influence and participation have increased, but lack of political will and inadequate legislation mean that the decentralisation process has stalled.

Cambodia

Of the total aid of SEK 114 million disbursed to Cambodia in 2007, SEK 45 million was channelled via the United Nations Children's Emergency Fund (UNICEF) to contributions to promote the quality of and access to primary education for girls and boys living in poverty. The programme has focused on six provinces, but the government has drawn up an implementation plan to cover the entire country in the long term. Analysis of school statistics shows that more children started primary school at the correct age during the school year (91 per cent for girls and 93.2 per cent for boys) and furthermore continued to secondary school at the right age, with smaller differences between girls and boys. On the other hand, the proportion of children completing six years' compulsory education has stagnated at around 50 per cent over the last five years. Problems

with dropping out and repeating years are particularly pronounced in remote rural areas and among the poorest groups. Via a pilot initiative for reaching children who are at least three years too old for their age group, the programme has however succeeded in reaching 1,789 children in 46 schools in two remote provinces.

Indonesia

The tsunami and the earthquakes in December 2004 caused almost 170,000 deaths and unimaginable destruction in Aceh and Nias in Indonesia. Sida has contributed SEK 150 million in aid to the reconstruction via the Multi Donor Fund (MDF), which has carried out 17 sub-projects within the reconstruction work. An evaluation completed during the year shows that aid to Aceh has led to 4,434 new houses being built and 5,129 being repaired. By the end of 2007 it was estimated that 8,000 new houses had been built and 7,000 repaired. The reconstruction of houses initially took longer than expected as a result of issues concerning land rights which needed to be clarified, and deliberate prioritisation of active participation in the reconstruction by those affected. Participation processes have however contributed to building which is sustainable in the long term. A study carried out shows that over 90 per cent of those who have moved in are satisfied with their new houses and with how the reconstruction has been handled. Creating employment opportunities is important in supporting the return to a normal life and providing people with the means to control their own lives. To date MDF has contributed to the creation of more than 15 million working days, as well as contributing to employment for 1,300 local employees. Sida's assessment is that the aid provided via MDF has generated good results. The majority of the projects financed by MDF are being carried out to plan and have contributed to significant improvements in the living conditions of poor people.

Summary

The Asia operational area covers an area which is highly differentiated in geographical, economic and political terms. All country categories (except Europe) are represented. The development trends for democracy and human rights, equality and the environment are therefore very mixed, both among and within the countries. Overall generalisations are therefore necessarily simplifications.

Bearing in mind these restrictions, Sida considers the results of cooperation during the year to be satisfactory. Cooperation has contributed to positive developments in several of the Millennium Development Goals. Economic poverty continued to fall in most partner countries, health indicators improved in Bangladesh, and more children were able to attend school in Cambodia, Afghanistan and Laos. The peace process at Mindanao in the Philippines has been facilitated through a joint fund which offers incentives for negotiations, and nation-building in Afghanistan has been supported by a fund which has enabled the government to pay public-sector employees.

The Paris Agenda is making an ever-clearer impact in development cooperation in the region. The main partner countries remain uninterested, but in the majority of countries governments have started to realise the benefits of coordination. Depending on the context, the donors are committed to these issues to a greater or lesser extent. In Vietnam, Cambodia, Laos and Bangladesh, for example, Sida is playing an important role. A decision on pure budget support has yet to be made in Asia, but assessments have been made during the year in Cambodia. Forms of aid similar to budget support and large multi-donor funds are however to be found in both regional and several bilateral collaborations. Programme aid continued to increase, with Bangladesh the leading country.

ANALYSIS OF OUTCOME

Total outcome for the Asia operational area in 2007 was SEK 1.8 billion, equivalent to just under 12 per cent of Sida's total outcome. Sida utilised unspent balances for the operational area and was therefore able to spend more than the appropriation for the year. Outcome is marginally lower than last year. The high level of utilisation is explained among other things by active planning with an initial portfolio of contributions which, as in the previous year, was around 40 per cent above the indicated amount. Disbursements in 2007 were more evenly distributed than in 2006.

The biggest type of support, Project support, has increased by four per cent on the previous year. The second-biggest type of support, Programme support, has seen a marked increase of 15 per cent from the previous year, and a full 145 per cent increase since 2005. No general budget support has been agreed during the entire three-year period. No new credits have been assessed within the operational area in recent years, and the contributions which were classified as humanitarian have gradually been concluded.

The sector Democracy, good governance and human rights is the largest (28 per cent) and growing main sector. The sector Natural resources and environment has continued to grow, which is in line with current country strategies. Health has overtaken Education as the largest social sector, while Infrastructure has fallen in the long term. The distribution among various channels was relatively unchanged compared with 2006, with multilateral organisations the main channel (46 per cent).

The five main partner countries together accounted for 58 per cent of outcome, slightly less than 2006. Outcome for Afghanistan continued to increase during the year as a result of the Government's revised cooperation strategy and the extra resources allocated to the operational area in June. Outcome for Vietnam established itself at a high and expected level, while utilisation of funding in Cambodia and Laos was lower than expected. The latter was largely due to uncertainty related to the country-focusing process.

The number of contributions has fallen significantly from 2006 to 2007, which is due to future phase-outs. The

number of contributions with outcomes over SEK 15 million has been constant at just under 25 per year.

Total administrative expenses calculated by country and in relation to outcome volume are approximately 7.7 per cent. Vietnam is the single largest cost item (15 per cent) and also accounts for a relatively high proportion of administrative expenses, approximately 7.5 per cent. This is because Hanoi is the largest field in Asia and has high fixed costs, partly because a large number of officials in Stockholm are involved in the cooperation. Afghanistan has the lowest administrative expenses in relation to volume of outcome, approximately 4 per cent. The largest part of the country's administrative expenses relates to high security costs. Laos has the highest administrative expenses in relation to outcome volume, approximately 9.8 per cent. This is because the office is fully delegated with five representatives.

Total administrative expenses for the main sectors in relation to volume of outcome are 7.7 per cent. In terms of administration, the most expensive main sectors relative to their respective outcome volumes are generally the smallest sectors, such as Conflict, peace and security, and Trade and industry. The main sectors with the lowest expenses relative to the average are also the largest, such as Health, Education, Democracy, governance and HR, Natural resources and Environment, and Infrastructure.

Budget support for poverty reduction in Cambodia has been assessed during the year, but has not yet resulted in any decisions, which means there are administrative expenses but no outcome. Advice has been provided in several countries on types of support similar to budget support, which is part of the administrative expenses under "Other sectors".

Table 4.

Asia, expenditure in SEK '000

The main partner countries 2007	2005*	2006*	2007	Administrative expenses 2007
Afghanistan	262 669	284 717	338 782	13 491
Vietnam	270 469	281 760	285 977	20 507
Bangladesh	161 269	265 728	200 010	9 408
Laos	101 898	158 913	126 204	11 858
Cambodia	99 975	119 781	113 805	8 193
Other countries/regions	689 252	740 005	770 645	73 385
Total expenditure	1 585 532	1 850 904	1 835 422	136 841
Type of support				
Project support	1 137 664	1 304 089	1 357 984	
Technical assistance, incl. contract-financed technical cooperation	66 067	75 215	87 939	
International training programmes	12 272	16 935	12 744	
Credits	114 007	85 846	-344	
Guarantees	0	0	0	
Programme support	109 526	233 488	269 546	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	109 526	233 488	269 546	
Humanitarian assistance	81 672	66 909	38 591	
Research	4 482	3 944	12 232	
Grants to NGOs	59 842	64 479	56 729	
Total costs	1 585 532	1 850 904	1 835 422	
Channels				
Multilateral organisations	781 704	835 193	843 065	
Swedish organisations	415 956	466 848	469 057	
Organisations in partner countries	286 635	403 952	396 317	
Organisations in other countries	60 670	65 919	45 638	
International NGOs	40 566	78 992	81 344	
Total costs	1 585 532	1 850 904	1 835 422	
Main sectors				
Health	166 857	226 807	273 124	13 488
Education	226 051	288 506	232 159	9 707
Research	2 709	3 113	24 646	2 250
Democratic governance and human rights	450 427	427 206	509 991	33 816
Conflict, peace and security	43 312	55 172	26 706	3 190
Humanitarian assistance	22 395	9 089	11 001	884
Infrastructure	262 999	311 010	228 953	9 433
Trade, industry and financial systems	78 921	70 884	54 400	7 426
Natural resources and environment	217 486	338 784	356 003	24 066
Budget support for poverty reduction	0	0	0	2 163
Other sectors	114 373	120 333	118 439	30 418
Total costs	1 585 531	1 850 904	1 835 422	136 841
Number of valid contributions	628	630	502	
<i>of which > SEK 15 million</i>	24	23	24	
<i>number of new contributions</i>	119	79	86	

*The figures for 2005 and 2006 have been restated as the Middle East and North Africa is a separate operational area from 2007.

Negative amounts relate to repayments.

Total expenditure for the operational area include outcome for staff financed under the development cooperation appropriation. For total expenditure excluding this, see Annex 3.

Middle East

This operational area covers international development cooperation with the Middle East and North Africa, with the exception of activities financed under the operational areas research, humanitarian contributions and conflict-related activities, concessionary credits and non-governmental organisations.

ASSESSMENT OF OPERATIONAL RESULTS

Sida's activities in the Middle East and North Africa are governed by two bilateral cooperation strategies, the West Bank/Gaza and Iraq, and one regional strategy for the Middle East and North Africa (MENA). In previous years these strategies came under the operational area Asia, the Middle East and North Africa. The goals identified therefore differ slightly from previous years, as the strategies within this region do not focus to the same extent on promoting sustainable utilisation of natural resources and protection of the environment. The most prominent goals for the operational area are:

- democratic governance based on respect for human rights, and
- economic and social development and equality.

Just over 70 per cent of expenditure for the operational area can be attributed to the above goals. Other goals represent such a small proportion that Sida has decided not to include them in the present report.

In order to increase the level of goal fulfilment, Sida has surveyed what other regional donors are doing within the area of human rights and democracy, in order to improve planning of Sida's own programme and also to identify other donors with a view to possible collaboration or dialogue on regional issues. Another example is the common application procedure for Swedish non-governmental organisations introduced in 2007 with a view to encouraging and stimulating Swedish non-governmental organisations to become involved in the MENA region, thus contributing to the emergence of a strong and vibrant civil society.

Goal: Democratic governance based on respect for human rights

Expenditure on this goal accounted for just under 40 per cent of total expenditure for the operational area in 2007.

The section below provides a few examples to illustrate results within this goal. The selection of contributions is based on analyses of results carried out during the year for the Occupied Palestinian Territories (OPT) and Iraq. A

short description is also provided of Sida's work with the regional strategy for the Middle East and North Africa, although it is too early to report any results.

Iraq

On behalf of the Government, in 2007 Sida carried out a results and experience evaluation of the simplified country strategy for development cooperation with Iraq in the period 2004–2006. The aim of the strategy is to promote peaceful development towards a democratic state based on the rule of law where human rights are respected, to support an economic recovery which benefits poor groups, and to lay the foundations for broader cooperation between Sweden and Iraq. In addition to humanitarian assistance, the strategy focuses on reconstruction within the sectors infrastructure, and democracy and human rights, as well as support to the central bank and civil society. The escalating violence in the country since the Iraq war has had a major impact on opportunities for effective reconstruction. Among other things, the difficult situation has meant severe delays to support via the Iraqi central bank and electricity assistance via the World Bank. Slightly under half of the total assistance of just over SEK 200 million disbursed during the period went to democracy and human rights. Just under SEK 80 million was disbursed in the form of support for democratic governance and elections via the multi-donor International Reconstruction Fund Facility for Iraq (IRFFI), which is administered by the UN and the World Bank. Just over SEK 20 million has been disbursed on support for Iraqi organisations working with human rights via the Olof Palme International Center (OPIC).

Both IRFFI and the OPIC programme have been evaluated. Compared with other similar funds, IRFFI has certainly had a higher rate of disbursements and lower transaction costs. At the same time the money channelled through IRFFI represents only six per cent of the total flow of aid to Iraq. The presence of corruption, shortfall in Iraqi capacity and pressure from donors to have secure

financial systems in place have also led to substantial delays in the implementation of projects.

The OPIC programme has reached 21 organisations across Iraq during the period, with approximately 6,000 persons participating in some form of project activity within the programme framework. Swedish-Iraqi organisations have also been involved in the programme.

The evaluation shows that the support is relevant in relation to the aims of the simplified country strategy for Iraq 2004–2006. One of the conclusions of the evaluation is that the programme needs to be more focused and that OPIC should look into the possibilities of working more via local networks to achieve a long-term perspective and local ownership.

Regional

Since 2006 Sida has been providing support for contributions in the Middle East and North Africa within the framework of a regional cooperation strategy which aims to promote democracy, good governance and respect for human rights, sustainable utilisation of transboundary water resources, and regional economic development and growth. The strategy is part of a broad and expanded Swedish commitment in the Middle East and North Africa, closely linked to the EU's Mediterranean cooperation programme EuroMed via the Barcelona Process. The aim of the Barcelona Process, which started in 1995, is to create around the Mediterranean an area of peace of stability, shared prosperity and enhanced cooperation in social and cultural issues. Total expenditure on the MENA programme in 2007 was around SEK 95 million, the largest sector of which was promotion of democracy, good governance and respect for human rights, totalling around SEK 50 million.

Based on the goals of the strategy, Sida is supporting the Arab Ombudsman Network, the work of the United Nations Development Fund for Women (UNIFEM) to empower female parliamentarians, and the Organization for Economic Co-operation and Development's (OECD) MENA initiative, which aims to support institutional reforms in the countries in the region. The regional programme also includes various forms of cultural contribution, including support for the emergence of free theatre groups via the Swedish University College of Film, Radio, Television and Theatre, promoting children's reading via the Anna Lindh Foundation, and projects which aim to increase young people's participation in society via the United Nations Children's Emergency Fund (UNICEF).

The effects of these contributions are not expected to become visible for a number of years. The regional MENA programme is in a development phase and the various elements have therefore not yet been evaluated.

The Occupied Palestinian Territories

Prior to drawing up a new cooperation strategy for the Occupied Palestinian Territories (OPT), a results analysis has been compiled for the period 2005–2007. The analysis finds that Sida has succeeded in implementing relevant

contributions in the OPT despite the difficult political situation (since Hamas' election victory in 2006). The results for the period should be seen in the light of the changed political situation. The majority of the aid, SEK 134 million, was channelled to contributions within human rights, democracy and nation-building. The aim of the assistance has been to strengthen the Palestinian Authority and its institutions in order to promote democracy and human rights. In accordance with the cooperation strategy, some of the assistance has been channelled to the Central Elections Commission (CEC). In June 2007 CEC submitted a final report on Swedish support for the presidential and parliamentary elections. The number of voters in the presidential election, which took place in January 2005, was just over 800,000 of approximately 1.8 million people eligible to vote. In the parliamentary elections one year later the number had increased to just over 1 million, with a significant fall in the number of invalid votes at the same time.

Sida assesses that the results of the contributions are good, in terms of the increase in turnout among the Palestinians. However, the election results had unexpected consequences for the Palestinian people with the Hamas victory leading to donor boycotts, as the USA and EU view Hamas as a terrorist organisation. International election observers have, however, concluded that the elections were conducted correctly and in a democratically satisfactory way. Aid to democracy in OPT shows that good results can have unpredictable political consequences.

Within the context of nation-building, support has been provided, among others, to the Capacity and Institution Building of the Office of the President (CIB OPT). With a view to reforming and strengthening the presidential office, a pilot phase introduced in 2006 was converted into long-term support in 2007. One important result of the pilot phase is that the project has contributed to the design of a streamlined and merit-based organisation structure, which has been approved by the parliament.

Sida's support for human rights has included Mu'assasat, a multi-donor secretariat which provides financial and capacity-development support to both Palestinian and Israeli HR organisations monitoring and reporting on violations of human rights. By 2007 a total of 24 organisations had received support for their work in OPT, and the secretariat has drawn up a programme for sector development, including the development of national indicators. According to an evaluation carried out in the spring of 2007, the secretariat has done well in providing support to small organisations but less well in its cooperation with larger organisations. In July 2007 the Danish consulting company which administered the secretariat went into liquidation, meaning the end of the secretariat's operations. Since then, together with other donors and in consultation with the partner organisations in the sector, Sida has sought to develop a new mechanism to harmonise financing and administrative procedures for support for and development of HR organisations.

During the year support for the Palestinian Independent

Commission for Citizens Rights (PICCR) was evaluated. PICCR was established in 1994 with a mandate to monitor and safeguard the HR situation in OPT. The evaluation assesses that the activities are working well, despite the prevailing situation, and that, despite scant resources, PICCR is an effective institution whose monitoring role is of great importance in the current situation. The generally weak legal system is indicated as a barrier to achieving the goals and results set. In an environment where the legislative assembly has been weak and is currently out of action, it is difficult or virtually impossible for PICCR to fulfil its mandate in full. The Commission has been successful in disseminating knowledge of HR and has a good reputation in OPT and internationally.

As a result of the extreme situation in Gaza in the summer of 2007, Theatre Day Production (TDP) decided also to cooperate with United Relief and Work Agency for Palestine Refugees in the Near East (UNRWA) in Gaza. A total of 120 drama animators were trained, and TDP gave performances and workshops for and with more than 25,000 children and young people throughout the Gaza Strip. TDP and one of its artistic directors, Jan Willems, received the “Euro-Mediterranean Award for Dialogue between Cultures 2007”, a prize established by the Anna Lindh Foundation and Fondazione Mediterraneo. The theme was “Women and Men Hand in Hand for Gender Equality”. One reason why the prize was awarded to TDP is the way in which the organisation builds cooperation between women and men in drama and animation projects.

Kvinna till Kvinna (KTK) [Woman to Woman] has consolidated and strengthened its peace-building network of Palestinian and Israeli women’s organisations. Based on local needs, KTK has also contributed to support and capacity development of eight Palestinian and eight Israeli women’s organisations working on dialogue and peace-building activities. This is confirmed by an evaluation carried out in 2007 of support to KTK in the period 2002–2006. By enhancing the status of women and promoting women’s participation, the women’s organisation can find new paths towards dialogue and reconciliation.

The strategy period has reinforced the old lesson that increased flexibility is required within development cooperation in conflict areas, as unexpected political changes can have a major impact on opportunities for development cooperation.

Goal: Economic and social development and equality

Expenditure on this goal accounted for just under 35 per cent of total expenditure for the operational area in 2007. The section below contains a number of examples to illustrate results within this goal. The selection of contributions is based on the results analyses carried out during the year for OPT and Iraq.

The Occupied Palestinian Territories

During the strategy period Sida has cooperated with several organisations in OPT to create employment through the

renovation of environments and buildings of culture-historical importance. The previous cooperation with three organisations concluded during the year. These organisations have implemented their programmes as planned despite difficulties with blockades and security problems. Some sub-projects had to be abandoned and some delays occurred, but goals were fulfilled within budget. The number of working days generated is just over 150,000. The cost per working day created falls well within the average cost for renovation work in other employment programmes. The renovated buildings are also being used as meeting places, libraries, youth centres, day-care centres and for other purposes of benefit to everyone.

The International Council of Swedish Industry (NIR) has worked with Israelis and Palestinians to create a dialogue forum in order to contribute to opportunities for development and peace through cross-border trade. This activity is based on a number of meetings, bringing together Palestinian, Israeli and Swedish business leaders and entrepreneurs who would not otherwise have come together. This is confirmed by the evaluation of NIR’s activities carried out in 2007, which states that this dialogue forum, the Palestinian International Business Forum (PIBF), has two main purposes: removing barriers to development and peace, and promoting investments in economic growth and job opportunities. Among other things, networking through PIBF has led to job opportunities within the IT sector and tourism. The platform has provided strong and important support for both the Palestinian and Israeli sides. The evaluation confirms the importance of continued support for the project.

The critical situation in Gaza, Israel’s blockade policy and internal conflicts have caused major difficulties in cooperation, and made providing assistance to Gaza particularly difficult. Despite this, Sida considers that in comparison with many other donors it has been successful in providing extensive assistance in Gaza, one example being the cooperation with the Palestinian water authority. Measures to improve sewage treatment in northern Gaza are ongoing, involving labour-intensive methods, local entrepreneurs and locally available materials, in order to be able, with other donors, to build a new sewage treatment plant. Implementation of a project of this nature is important for the people of Gaza and in promoting sustainable use of natural resources and protection of the environment. Despite the difficulties of importing the necessary equipment and materials to Gaza, the first part of the project—building a pumping station, pressure pipe and infiltration basins—is complete.

Iraq

Just over SEK 100 million was disbursed to Iraq in support for infrastructure in the period 2004–2006, primarily within the electricity sector, and in capacity support for the Iraqi central bank. Support for the electricity sector is important for the functioning of essential social functions, for example health care. Sweden is therefore contributing to the provision of electricity to hospitals in various parts

of Iraq via the United Nations Development Programme (UNDP). This support also includes further development of a “master plan” for the Iraqi electricity system, which UNDP has drawn up in collaboration with the Iraqi electricity ministry. UNDP estimates that the provision of electricity to hospitals will benefit 1.25 million poor Iraqis. However, as with many other areas of aid to Iraq, the difficult security situation in the country has meant that the programme as a whole is behind schedule, although UNDP is planning for it to be implemented in full during 2008.

Summary

Development cooperation has been characterised by the conflicts in the region.

In the two countries covered by bilateral strategies, this has meant significant restrictions in terms of access, planning requirements and opportunities to carry out contributions. A planned fund construction in OPT was not able to be realised during the year, resulting in utilisation being lower than expected.

Development of the strategy for regional cooperation gathered pace during the year and agreements were entered into with a number of new partners. The working methods are resource-intensive in nature and involve a large number of small inputs. Cooperation concerning human rights and democracy can be said to be in place, while the ambitions for water and trade issues remain to be fulfilled.

The role of the Paris Agenda in conflict countries remains limited but in both OPT and Iraq Sida has sought, alongside the bilateral projects, fund solutions which allow donors jointly to support sectors or, particularly in OPT, the general budget. Regional cooperation is by its nature less suited to donor coordination, and an extremely small number of donors have an approach similar to that of Sweden. The programme is therefore fully bilateral.

ANALYSIS OF OUTCOME

Outcome for the MENA region operational area in 2007 was SEK 378 million, representing 2.5 per cent of Sida's total outcome. Since 2007 the MENA region has been an operational area in its own right, having previously been part of Asia. Total outcome in 2007 has increased marginally compared with 2006, with 95 per cent of the original allocation being utilised. The resources allocated to the appropriation at the end of the year were not able to be utilised as planned as a result of the uncertain situation, primarily in the West Bank and Gaza (the OPT area).

Project support has further increased during the year, accounting for over 80 per cent of outcome compared with 70 per cent in 2006. The dominance of project support is explained by the fact that the main recipient countries are in conflict situations which make other types of support more difficult. The regional strategy is project-focused by nature. Sector programme support has been completely phased out. Swedish organisations have been the most important channel, reflecting the focus of the strategies.

The importance of the multilateral organisations has continued to grow, while support through the countries' own organisations was halved compared with 2006. The conflicts in the region are probably the key factor in explaining this trend.

At sector level two sectors, Democratic governance and human rights, and Infrastructure, are responsible for 66 per cent of total outcome.

OPT and Iraq, the two areas for which cooperation strategies are in place, have continued to dominate, accounting for two thirds of outcome. Support to Iraq has gradually increased over the last three years, but the civil war means that this still does not meet the ambitions of the strategy in terms of volume. Reconstruction assistance to Lebanon has continued, but at a lower level than planned. This assistance will cease in 2008. Regional assistance is growing gradually, but the regional strategy is in a development phase and has not yet achieved the quantitative targets set. The bilateral support to Morocco and Egypt, which relates to previously adopted contract-financed technical assistance contributions, is not in line with the regional strategy and will be phased out.

The number of contributions and new contributions has fallen over the last three years. On the other hand the number of contributions with outcome over SEK 15 million has increased over the same period.

Total administrative expenses calculated by country and in relation to outcome volume are approximately 9.8 per cent, which is approximately 2 percentage points higher than other regional operational areas. The proportions of administrative expenses for the West Bank and Gaza (OPT) and Iraq are the highest in the region at 8.6 and 8.7 per cent respectively. In the case of OPT this is partly because Sida has staff in Jerusalem, and partly because the programme is administratively complex. The administrative expenses for Iraq are relatively high although the cooperation is handled from Stockholm and only a limited number of persons are involved. During the year, two posts in Iraq were financed from the development cooperation appropriation, which is estimated to have cost SEK 1.5 million.

With the exception of the two bilateral strategies for the above-named countries and reconstruction assistance to Lebanon, all cooperation in the region is governed by a regional strategy which also covers Morocco and Egypt. The administrative expenses include one post in the field. The fact that expenses for the regional strategy are relatively high can be explained by the fact that the work is still in a development phase and is by its nature personnel-intensive.

Total administrative expenses for the main sectors in relation to outcome volumes are just under 8.8 per cent. The most expensive main sectors in administrative terms are Trade and industry at 21.7 per cent, and Democracy, governance and human rights at 11.7 per cent.

The reason for this is that the work within these two sectors comprises a large number of small and complicated contributions.

Table 5.

Middle East and North Africa, expenditure in SEK '000

The main partner countries 2007*	2005	2006	2007	Administrative expenses 2007
West Bank and Gaza	145 868	183 383	171 757	14 160
Iraq	47 093	62 533	77 191	6 568
Lebanon	287	48 465	37 004	1 155
Morocco	2 801	6 914	7 989	276
Egypt	5 253	8 783	7 844	161
Other countries/regions	53 264	65 490	76 615	10 277
Total expenditure	254 566	375 568	378 399	32 597
Type of support				
Project support	210 896	264 400	305 878	
Technical assistance, incl. contract-financed technical cooperation	15 197	27 618	26 306	
International training programmes	4 945	13 397	15 187	
Credits	132	75	107	
Guarantees	0	0	0	
Programme support	4 228	44 200	0	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	4 228	44 200	0	
Humanitarian assistance	4 775	5 000	2 500	
Research	0	0	0	
Grants to NGOs	14 393	20 878	28 421	
Total costs	254 566	375 568	378 399	
Channels				
Multilateral organisations	66 128	89 825	118 574	
Swedish organisations	101 636	155 748	158 067	
Organisations in partner countries	61 792	94 722	45 735	
Organisations in other countries	19 352	32 607	52 123	
International NGOs	5 658	2 666	3 900	
Total costs	254 566	375 568	378 399	
Main sectors				
Health	21 927	73 937	19 718	1 109
Education	0	2 325	0	0
Research	0	0	0	0
Democratic governance and human rights	128 354	104 579	139 608	15 747
Conflict, peace and security	13 855	8 953	62 325	1 234
Humanitarian assistance	0	0	0	1 750
Infrastructure	48 809	141 180	110 251	5 356
Trade, industry and financial systems	22 966	16 683	14 659	3 106
Natural resources and environment	8 719	14 904	18 128	808
Budget support for poverty reduction	0	0	0	247
Other sectors	9 937	13 007	13 711	3 241
Total costs	254 566	375 568	378 399	32 597
Number of valid contributions	153	150	136	
<i>of which > SEK 15 million</i>	1	3	6	
<i>number of new contributions</i>	75	43	30	

*Only the West Bank and Gaza and Iraq have country strategies. Outcome for other countries derives from old contributions.

Total expenditure for the operational area includes outcome for staff financed under the development cooperation appropriation. For total expenditure excluding this, see Annex 3.

Latin America

This operational area covers international development cooperation with Latin America, with the exception of activities financed under the operational areas research, humanitarian assistance and conflict-related activities, concessionary credits and non-governmental organisations.

ASSESSMENT OF OPERATIONAL RESULTS

Two regional strategies guide cooperation with Latin America: one for Central America and the Caribbean, and the other for South America. Democracy and social and economic equality are particularly important goals in both, within the framework of the overall goal of poverty reduction.

In geographical terms, particular priority has been given on the one hand to some of the region's poorest countries in terms of gross national income per capita (Honduras, Nicaragua and Bolivia) and on the other hand to some of the region's most conflicted countries (Guatemala and Colombia). Limited development cooperation takes place with a number of other countries in the region, and in the form of contributions with regional coverage.

As a result of the Government's decision to extend all the strategies governing development cooperation with Latin America pending a decision on country focusing, no results analyses were carried out during 2007.

Sida considers that four areas, which together represent more than 90 per cent of total disbursements for the operational area, are particularly relevant in reporting results for 2007:

- democratic governance based on respect for human rights
- anchored peace processes, reconciliation and reconstruction in conflict and post-conflict countries
- promoting sustainable use of natural resources and protection of the environment
- economic and social development and equality.

The choice of contributions reflects the sectors which account for the highest proportion of development cooperation in the region and those contributions which each embassy or section office considers relevant in illustrating the work within the sector in the respective country. Certain contributions are included because Sida considers they could contribute important experiences.

Goal: Democratic governance based on respect for human rights

This goal accounts for almost 50 per cent of total expenditure for the operational area. The section below contains a few examples of results within the area.

Guatemala

Prior to the election in 2007, extensive electoral reform was carried out in Guatemala involving, among other things, decentralisation of voting stations with a view to increasing political participation. Sida's assistance during the period 2005-2007 totalled SEK 15 million. Sida also coordinated assistance from the international community. The reform has been a greater success than most people could have predicted. In principle the election was conducted satisfactorily, with turnout nationally increasing from 55 per cent in the 2003 election to 60.5 per cent. In rural areas, where the majority of poor people and the indigenous population live, participation was even higher, towards 75-80 per cent. Progress, albeit on a more modest scale, can be noted in terms of representation of women and the indigenous population among candidates for elections to congress and district and municipal authorities, as well as to mayoral posts.

In all, 12.6 per cent of those who stood as candidates in the 2007 election were women, an increase of three percentage points on 2003. The number of female members of congress increased from 14 to 19 of a total of 158, while the number of female mayors fell from 8 to 6 of a total of 332 mayors. Only one Maya Indian woman was elected to a mayoral post.

Colombia

Since 1997 Sida has given SEK 1.5 million to the national electoral observation mechanism MOE (Misión de Observación Electoral) in Colombia, ahead of and during the 2007 elections to municipal and regional assemblies. MOE, which has broad support in Colombia's civil society,

supplemented the monitoring initiatives carried out by Colombian authorities and the international community (Organisation of American States, OAS). The system of organisation developed by MOE enabled the presence of 5,000 observers on election day in 233 districts in 20 counties around the country, as well as at 19 voting stations in the capital, thus covering around 58 per cent of the potential electorate. Sida considers this to be a good result. In each of the counties where MOE was present on site, collaboration among a number of local organisations had been developed to support the observation process. Everyone who participated in MOE was trained in advance in the Colombian electoral system and the procedure for observing elections. Some time in advance of the election day, MOE presented maps showing risk areas in terms of irregularities, lack of administrative capacity and politically associated violence; these maps were distributed to authorities responsible for conducting the election.

MOE also followed up and analysed media coverage of the election. Sida representatives who participated in the OAS observation assess that MOE's products provided an important basis for the OAS group of election observers. The results are also seen as progress both in that this is the only independent mechanism for observing elections in existence and in that it was the first time there had been a focus on covering the entire nation. Sida also assesses that MOE's work has contributed to civil society's work to strengthen democracy in Colombia by helping to guarantee safer and more transparent elections.

Sida considers that the results achieved through support for improvements to the electoral system and for monitoring elections in Guatemala and Colombia have contributed to increased opportunities for poor people to participate in fair and correct elections.

Honduras

In Honduras Sida has been providing support to the government and non-governmental organisations for work on anti-corruption initiatives. With aid from Sida of just over SEK 1 million, in May 2007 Consejo Nacional de Anticorrupción (CNA) published the first annual report on transparency and corruption in the country. The report surveys, documents and illustrates the scope of the problem of corruption, making a contribution to the national dialogue concerning problems related to corruption and a more detailed specification for designing and applying a national system for transparency (Sistema Nacional de Integridad). Two well-known international personalities, Cardinal Oscar Andrés Rodríguez and Ottón Solís, the former presidential candidate from Costa Rica, took part in the launch, helping to give the report widespread publicity and dissemination.

Sida considers that the report will provide an important frame of reference for the government and congress in planning and implementing anti-corruption measures, including new legislation. Sida's assessment is that the work to survey and counteract corruption contributes to

increased opportunities for economic development for men, women and children living in poverty.

The broader programme cooperation between Sida and UNDP within the field of democracy and HR in Honduras in the period 2004–2007 was evaluated during the year. Sida's approach of working on issues of democracy from a rights perspective in interaction with UNDP's privileged role and functions has made it possible to work on extremely sensitive issues critical to the country as a result of having built up trust with the government, parliament and political parties, but also civil society. The work has been conducted within the framework of two main areas: political reforms and the legal and security sector.

The cooperation between Sida and UNDP has enabled collaboration among the political parties in the country, making it possible to arrive at and subsequently implement broad agreements for reform of the political system. Key reforms have included electoral reforms, which have enhanced democracy as well as increasing the political participation of both men and women during implementation of internal and general elections in 2005. Cooperation and division of work with OAS has been central to the outcome of this work. The cooperation created opportunities to steer implementation of the 2005 election via the programme, contributing to compliance with the new electoral law. The new electoral law meant greater openness and more regulated election campaigns, providing opportunities for increased participation by men and women (and ethnic minorities). The programme provided an effective means of support to the key national institutions for democratic elections: the electoral court and the national register of persons. One concrete result of the electoral reforms was that the proportion of women members of parliament increased from 5 per cent in the 2005 general election to 24 per cent.

The programme has also resulted in the national register of persons and electoral registers being updated, with around 120,000 deceased persons being removed and around 60,000 new voters added. In addition, the programme has contributed to digitisation of the national register of persons and the establishment of 44 information centres linked together in a comprehensive national network. Sida considers this as a fundamental contribution to democracy and the right to participate in democratic elections, as well as the human right to access to ID documents.

Within the legal and security sector in Honduras, a white paper has been drawn up concerning the role of the military in a democracy, with broad participation by players within civil society, the police and military. The white paper attracted widespread national attention when it was published by the government. The evaluation shows that the process has made an important contribution to strengthening democracy, as well as helping to reduce tensions between the military and the population. Other examples of results include increased institutional capacity for control and registration of light weapons, although no progress has been made in terms of more restrictive

weapons legislation. Coordination of information and statistics concerning violence and murder has been improved in collaboration between hospital emergency departments, the police and forensic medicine. This “violence observatory” has been integrated in the national university.

Nicaragua

The “barefoot lawyer” programme in Nicaragua, to which Sida has provided total assistance of SEK 38.6 million since 2002, is directly helping to increase access to justice in rural areas. In areas where the programme is operational, the barefoot lawyers resolve 55 per cent of legal disputes, 20 per cent are resolved within the formal legal system and 25 per cent are not resolved at all. By way of comparison, the proportion of unresolved legal disputes in areas without barefoot lawyers is 48 per cent.

Bolivia

In Bolivia in 2007 Sida entered into an agreement with the ombudsman for human rights concerning continued support. One important aspect of the institution’s work is mediating in the social conflicts which have come to characterise the country in recent years. The ombudsman institution acts on initiatives from the parties in the conflict, and can in this context benefit from its high level of prestige as the defender of citizens’ rights and its impartiality. The institution’s actions also have a high level of popular support, with an opinion showing that more than 90 per cent of the population supports the ombudsman’s attempts to resolve these conflicts. According to a report published in August 2007, the ombudsman’s office acted in 155 conflicts in 2006 and in most cases helped to resolve them. The same source also recorded a clear decrease in the number of conflicts during the same year.

Sida assesses that the barefoot lawyer programme in Nicaragua and the work of the ombudsman in Bolivia make important contributions to the access of men, women and children living in poverty to justice, and to reducing conflicts and violence in the areas where the schemes operate, and that through the results of these programmes Sida is contributing to democratic governance in these countries.

Together with Danida and DFID, for the last three years Sida has supported a project for increased participation in democratic processes. This has taken the form of documentation of undocumented and marginalised citizens, registration of electors and broad training of citizens in democratic issues. The project was implemented by the national electoral court and an amalgamation of small non-governmental organisations coordinated by the UN’s development programme. The project was carried out between May 2004 and December 2006. The final evaluation of the project has shown positive results, with almost 125,000 undocumented persons having been provided with identity documents, over 1,200 workshops held providing information and training on civil rights and the democratic system, and almost 300 persons trained to help poor men

and women in rural areas to deal with inadequate and/or incorrect identity documents. Election turnout has increased significantly during the period: 61 per cent of the electorate voted in the 2004 referendum, while 81 per cent took part in the 2006 election to the constituent assembly.

Goal: Anchored peace processes, reconciliation and reconstruction in conflict and post-conflict countries

Current strategies state that Sida will work with conflict management, peace processes and reconciliation in Guatemala and Colombia.

Guatemala

During the internal armed conflict in Guatemala, the police played a crucial role in abuses of human rights, particularly in urban areas. Work to systematise the information in the previously unknown national police archives began in 2005. Sida was the biggest donor, contributing SEK 15 million in the period 2006–2007. The archives have proved to contain extremely extensive documentation of the structure and working methods of the police, and of the chain of command in individual cases. The archives are now providing evidence and documentation for the investigations being carried out by the ombudsman’s office into human rights abuses during the most critical period of the civil war from 1975–1985.

Colombia

The Colombian organisation Corporación Nuevo Arco Iris (CNAI) has received support of around SEK 2 million from Sida for its work with victims of violence and their rights within the framework of the law on justice and peace (*Ley de Justicia y Paz*). This is part of Sida’s contribution to a negotiated solution to the internal armed conflict in Colombia. The law regulates demobilisation and the institution of legal proceedings against former paramilitaries, and the victims’ rights to truth, justice and compensation. CNAI’s work has focused on activities to enhance victims’ influence over application of the law, and legal support for victims in the five provincial capitals: Cartagena, Sincelejo, Bucaramanga, Medellín and Bogotá. CNAI has reported results including increased visibility for the issue of victims’ rights and recognition of responsibility to victims on the part of authorities. The project has also contributed to an increased level of activity among organisations representing victims in the form of dedicated initiatives to collate information on violence, and increased participation in networks. It is often more difficult for poor people to obtain redress, at the same time as they are usually worst affected by violations of human rights. Based on CNAI’s report, Sida assesses that the activities have helped victims of the violence in Colombia to organise themselves better and increased their opportunities to demand their rights. The work to survey and clarify responsibility for abuses committed during the war is important for reconciliation.

Sida and UNDP have entered into an agreement concerning a three-year package of assistance for a programme for reconciliation and development (REDES) in Colombia. The goals of REDES are to promote reconciliation and development initiatives in regions which have been particularly badly affected by violence and the internal armed conflict, and to help to strengthen these communities institutionally, socially, economically and in terms of security. An evaluation of the programme shows that a clear focus on finding solutions which contribute to development and peace in Colombia is strategic. REDES creates opportunities for debate on regional and national development, which also includes vulnerable groups, and supports development and practical application of political guidelines at local, regional and national level. Overall, UNDP plays a unique peace-building role in some of Colombia's very poorest conflict areas.

Goal: Promoting sustainable use of natural resources and protection of the environment

The sector Natural resources and environment accounts for 16 per cent of the appropriation's expenditure and is therefore the second largest within Latin America.

Honduras

In Honduras Sida is giving SEK 24 million in assistance for the implementation of DECEAS (Decentralización de Agua y Saneamiento), a programme which aims to improve the control and management of water resources at local level in an environmentally sustainable way. The programme is targeted at local authorities, organisations and the people living in the municipalities. Thanks to decentralised and qualitatively improved management of water, poor rural populations in five municipalities are expected to gain increased access to clean water and sanitation. During 2007, the first year of the programme, the activities have focused on increasing capacity and strengthening dialogue between the players who will be responsible for sustainability in the water and sanitation systems. In areas where the level of organisation and social cohesion locally was already relatively high, it has been possible to start investments in infrastructure. Among other things, during the year five municipalities established baselines on water and sanitation conditions and newbuilding. Expansion of 25 water and sanitation systems has also begun, which will provide 2,600 families with access to clean water. A total of 40 local water boards have undergone human resource development with in quality control of water, and procedures for this control have been established for all water boards. In addition, 330 local water boards have undergone human resource development within environmental and sustainable management of water systems, and three permanent water and sanitation units at municipal level and ten self-sufficient chlorine banks have been established. Sida's assessment is that the programme has succeeded in establishing principles and working methods which will contribute to sustainable access to water and thus health at municipal level.

Bolivia

Lack of clean water and basic sanitation is a problem in Bolivia, particularly in rural areas. Through aid to UNICEF's programme for water, sanitation and hygiene, Sida is contributing to fulfilment of the seventh Millennium Development Goal. During the first nine months of 2007, a total of 31 systems were built for water distribution, providing clean water to approximately 3,825 men, women and children in 765 families. In addition, ecological latrines have been built in 61 schools in rural areas with a total of around 3,700 pupils.

Increased access to water and sanitation is contributing to improved living conditions for poor people in villages in rural areas and is an important factor in reducing diarrhoeal illnesses, malnutrition and child mortality.

An evaluation of Sida's institutional support to the Bolivian Forest Department (Superintendencia Forestal) in the period 2003–2006 found that the project had built on an adequate problem analysis and that the important goals had been fulfilled, such as further training of staff and the production of a strategic plan. On the other hand the evaluators considered that the scope of the project had been too limited, as only one player within the broad forestry sector had participated. The effects of the support are limited as a result of the turbulent political events in the period 2003–2006. However, the evaluation recommends that Sida makes future support within the sector conditional on national policy within the sector being defined in greater detail and the possibility of applying a programme approach.

Goal: Economic and social development and equality

This goal covers the sectors Health, Education, Infrastructure and Trade, industry and financial systems and part of the sector Natural resources and environment. The section below contains a number of examples within the area.

Guatemala

Guatemala, Haiti and Bolivia are the three countries with the highest levels of maternal and child mortality in Latin America. Guatemala is the Central American country with the lowest expenditure on health and medical care as a proportion of GNP, and the country has an indigenous population in rural areas which is strongly discriminated against in terms of access to health care. Within the framework of the national health policy, Guatemala's government has developed an integrated system for health care in an attempt to level out these differences. According to the evaluation carried out in July 2007, the programme has recorded significant successes. Among other things, the Ministry of Health has succeeded in increasing and improving health services within the affected areas and updating regulations and common protocols for care. Staffs have been trained, and demand for care has increased. In addition, all the areas covered by the programme have introduced a system of epidemiological monitoring. Results show that both child and maternal mortality have

fallen by almost 40 per cent since 2000–2001 in some of the areas in question. The best results have been achieved in the Quiché health district, where child mortality has fallen from 28.7 to 17.1 per 1,000 live births and maternal mortality has fallen from 152 to 92.3 per 100,000 live births. Another outcome is that the Ministry's implementing capacity has been strengthened and popular participation in health issues locally has increased.

The lack of opportunities to improve income is a major problem for Guatemala's poor. FDLG, the fund for local development in Guatemala, to which Sida is providing SEK 48 million in aid, offers poor people—who do not have access to credits from the established banks—micro credits to improve their income opportunities. The target for the entire programme period 2005–2007 is for 35,000 persons to have been given credits for income generation. During the period January–June 2007, a total of 9,540 persons, primarily indigenous women living in extreme poverty, have been able to make income-generating investments using the credits received within the programme framework.

Honduras

In Honduras 33 per cent of the population is estimated to be without access to health and medical care. Since 1995 Sida's support to the health care sector has been channelled to the Access to Health Programme, an initiative of the Ministry of Health; the current agreement with Sida amounts to SEK 70 million and covers the period 2002–2007. The aim of the programme is to create access to good-quality health and medical care for the poorest people, in accordance with WHO's principles for basic and vital primary health care. The programme has focused on cooperation with authorities and civil society at municipal level and has actively encouraged the local people's involvement in the formulation of health and medical care.

The programme has a number of interim aims, one of which is to reach out to the population living in the most remote villages in rural areas through "Unidades Comunitarias de Salud (UCOS)", or village health care centres. These work both to identify and report cases of illness at an early stage, and to provide preventive services within areas such as child welfare and antenatal care, vaccinations and nutrition. Each UCOS belongs to a primary care unit in a nearby built-up area, and this unit provides the UCOS volunteers with training, guidance and materials. UCOS has proved to be cost-effective, sustainable and well adapted to local circumstances. The opening of 43 new UCOS during 2007 has seen the number of poor men, women and children with access to basic and vital health and medical care increase by around 15,000 to a total of 36,111. The programme was concluded in 2007, which means that a full report on the results achieved will first be available during 2008.

Bolivia

Together with the Netherlands and Denmark, Sweden has been providing assistance to the education sector in

Bolivia since 1995. The overall goal of Sida's cooperation is to promote the participation of children from poor backgrounds in primary and secondary education, and to promote and develop bilingual education as a way of supporting the rights of disadvantaged communities. One important strategy in encouraging pupils to stay in school is to improve access to and quality of teaching through information and communication technology. Reporting in the first quarter of 2007 shows that 122 IT centres were built in 2006, which is seven over target. The target is to build 1,000 IT centres by 2010.

Summary

In Latin America Sida works in countries which have high levels of inequality and therefore a high risk of conflicts. Democratic processes and institutions have however been strengthened and the countries are showing greater respect for human rights than before. Sida's long-term work for peace and democracy has contributed to Sweden being seen as a constructive and reliable player. The decision to phase out development cooperation in Honduras and Nicaragua will impact in the short term on the trust which has been built up.

Sida assesses that the carefully balanced mixture of aid to the countries' public-sector players, multilateral organisations and civil society contributes to increased opportunities for the very poorest people to change their situation. Support for democracy and human rights has produced good results, but the support has not contributed to increased economic opportunities for the poorest people to the extent expected. However, direct initiatives to increase incomes for the poorest people have generated good results.

The lack of an explicit political will and clear poverty reduction programmes in several of the countries has meant that no budget support has been paid.

ANALYSIS OF OUTCOME

Outcome for the operational area in 2007 totalled just over SEK 1 billion, which is 6.5 per cent of Sida's total outcome. Project support accounts for approximately half of the outcome. The proportion of programme support has fallen as a result of no budget support being paid during 2007. Following an initial assessment, Sida decided not to pay budget support to Bolivia, Honduras or Nicaragua. Contributions to non-governmental organisations have increased for two reasons: as a result of assistance being channelled via non-governmental organisations in cases where governments have not prioritised development cooperation, and as a result of Sida, together with other donors in Guatemala and Nicaragua, having set up joint funds for support to civil society.

The sector Democratic governance and human rights remains the largest sector in Latin America, accounting for almost half of outcome. The sector Natural resources and environment has increased its proportion of outcome

slightly, while the proportion of the social sectors Health and Education taken together has reduced. In total, these three sectors account for 76 per cent of total outcome in the region.

During 2006 a large number of countries in Latin America acquired new governments, which impacted on their capacity to administer aid. In 2007 these countries' capacity was improved, enabling outcome to increase. The five main partner countries account for three quarters of the outcome. Most of the remaining quarter goes to regional projects and programmes.

The Swedish Government's decision in autumn 2006 to review which countries would continue to receive Swedish aid meant that new projects for 2007 were not always initiated in the way planned, for example in Honduras. Despite the uncertainty, the number of new contributions increased during the year, as did the number of contributions with outcomes over SEK 15 million. The fact that there was not a larger increase in contributions was due to the government's decision that Sida was not entitled to enter into agreements beyond December 2008.

Total administrative expenses calculated by country and in relation to the outcome volume are 8.4 per cent.

This figure is relatively even in terms of distribution by country, with administrative expenses representing an average of 6 per cent, with the exception of Bolivia where the figure is 10.4 per cent. The reason for the higher level in Bolivia is that the office is dimensioned for more extensive development cooperation but has had to reduce the scope of its efforts in the light of the prevailing disturbances in the country. Regional cooperation takes the form of several small contributions distributed over the entire region, often involving several programme officers.

Total administrative expenses for the main sectors in relation to outcome volume are 8.4 per cent. Administrative expenses for the three largest main sectors, Health, Democratic governance and human rights, and Natural resources and environment, are all low. It is the smaller sectors Research and Trade which are the most costly in terms of administration. Where Research is concerned, administrative expenses also include the field organisation's support for the Research operational area. Administrative expenses for Trade largely concern efforts to develop the private sector in Bolivia, which were unable to get properly under way as a result of the internal conflicts in the country.

Table 6.

Latin America, expenditure in SEK '000

The main partner countries 2007	2005	2006	2007	Administrative expenses 2007
Nicaragua	261 877	199 762	238 479	14 804
Guatemala	94 973	186 240	189 165	10 527
Honduras	140 053	117 476	120 666	7 475
Bolivia	126 075	90 169	118 730	11 764
Colombia	66 593	103 951	98 237	6 059
Other countries/regions	233 842	205 048	236 333	30 723
Total expenditure	923 413	902 646	1 001 612	81 353
Type of support				
Project support	456 047	532 051	512 651	
Technical assistance, incl. contract-financed technical cooperation	127 263	115 942	133 319	
International training programmes	10 653	25 292	28 352	
Credits	27 712	-28 894	22 554	
Guarantees	0	0	0	
Programme support	195 998	181 106	161 186	
<i>of which general budget support</i>	60 000	70 000	0	
<i>sector programme support</i>	135 998	111 106	126 186	
Humanitarian assistance	5 622	5 728	663	
Research	2 067	73	-14	
Grants to NGOs	98 052	71 349	142 901	
Total costs	923 413	902 646	1 001 612	
Channels				
Multilateral organisations	202 282	229 838	244 277	
Swedish organisations	227 531	212 833	234 839	
Organisations in partner countries	404 808	358 942	402 004	
Organisations in other countries	53 254	51 705	75 819	
International NGOs	35 539	49 328	44 672	
Total costs	923 413	902 646	1 001 612	
Main sectors				
Health	105 353	125 203	117 376	8 558
Education	87 430	43 636	44 509	2 975
Research	2 704	525	1 000	194
Democratic governance and human rights	390 153	363 503	486 223	33 467
Conflict, peace and security	19 833	65 436	45 593	4 203
Humanitarian assistance	1 510	27 638	14 319	364
Infrastructure	77 653	24 513	51 468	2 315
Trade, industry and financial systems	30 945	27 381	16 145	2 972
Natural resources and environment	105 538	122 095	155 562	9 478
Budget support for poverty reduction	60 000	70 000	0	2 085
Other sectors	42 294	32 716	69 416	14 740
Total costs	923 413	902 646	1 001 612	81 353
Number of valid contributions	448	423	420	
<i>of which > SEK 15 million</i>	9	10	12	
<i>number of new contributions</i>	126	83	99	

Negative amounts relate to repayments.

Total expenditure for the operational area includes outcome for staff financed under the development cooperation appropriation. For total expenditure excluding this, see Annex 3.

Eastern Europe and Central Asia

This operational area covers countries geographically close to Sweden's eastern border: the Western Balkans, the Southern Caucasus and Central Asia. Sida's activities shall be governed by goals in accordance with current country, region and cooperation strategies.

ASSESSMENT OF OPERATIONAL RESULTS

Sida considers that the results of Sida's aid within this operational area have been generally positive during 2007.

Results analyses were carried out for Albania and Serbia during 2007. These show that the programmes have been conducted in accordance with current strategies and that they have a high degree of relevance to poverty reduction and closer association with the EU in the countries concerned. Implementation of the strategy in Serbia has been effective, and most projects have strong ownership. The analysis for Albania shows that the majority of projects will achieve the planned results, despite weak local ownership and low capacity in some cases.

In connection with cooperation with Russia being phased out, work has begun to summarise the results achieved. Sida's evaluation shows that good results have been achieved above all within the social and environmental areas. Within the Black Sea region, both Ukraine and Moldova made progress in terms of closer association with the EU, but the pace of reform is restricted by the absence of a clear prospect of membership. The political turbulence in Ukraine has impacted on the format of development cooperation during the year to some extent. Moldova was hit by a very extensive drought in 2007, which also impacted negatively on the implementation of important reforms which the aid supports. The lack of clarity concerning the issue of the status of Kosovo is impacting generally on reform, primarily in Kosovo and Serbia, although there have been a number of positive results at contribution level.

During 2007 Sida has worked systematically on EU issues and the importance of closer association with the EU as a driving force for reforms in the countries within this operational area. Sweden's programmes and strategies are coordinated with the EU's various financing instruments and, together with the Swedish Ministry of Foreign Affairs; Sida is also an active party in Brussels with a view to increasing the impact of Sweden's priority issues. Sida considers that this work has made clear progress in 2007, with both collaboration and coordination being further strengthened.

The report is divided into the following three sub-regions and three goals:

- The Black Sea region
- Russia, Belarus and Central Asia
- Western Balkans
- democratic governance based on respect for human rights
- EU integration and coordination
- economic and social development and equality.

The goal of Democratic governance is the main goal in the region, in terms of both workload and volume. The goal of EU integration and coordination varies in character within the three sub-regions but is central to all Sida's activities in the region, partly because several of the countries aspire to future membership and partly because the EU is currently the region's largest aid donor. The goal of Economic and social development and equality covers both private-sector development and reform work within social sectors focusing on aspects of income distribution policy.

The sections below contain a number of examples illustrating results within the respective goals. The selection has been made on the basis of a wish to reflect a broad spectrum of contributions and to achieve a certain level of representativeness among the countries in the region.

THE BLACK SEA REGION

The countries in the Black Sea region are among the European Union's closest neighbours. Sida's contributions in these countries have supported their closer association with the European Union as well as poverty reduction and democratic development.

Goal: Democratic governance based on respect for human rights

Sida's main aim within this goal is to promote the Black Sea countries' efforts to improve democratic development to allow closer association with the EU. In order to con-

tribute to the countries' efforts to fulfil the criteria concerning respect for human rights, Sida's contributions are channelled partly towards women in development and partly towards the disabled, internal refugees or minorities such as Roma or Crimean Tatars. The contributions are often linked to capacity-building and administrative support, such as the development of non-custodial sentences as an alternative to custodial sentences, and more humane treatment of young people within the treatment of offenders. Aid is also made available for modernisation of the countries' administration systems, focusing on public financial control.

To increase the level of goal fulfilment, Sida has worked actively in third-party collaborations with the Baltic States so as to benefit from relevant transitional experiences, for example with parliamentary work and rescue services.

Turkey

The aim of Sida's aid for increased respect for human rights in Turkey is to support the country's efforts to fulfil the Copenhagen Criteria. With this in mind, Sida has provided aid within areas such as education in human rights and increasing female participation in the labour market. During 2007 Sida has also supported measures targeted at specific disadvantaged groups such as internal refugees. In previous years Sida has financed contributions which in 2007 were found to have resulted in harmonisation of laws and regulations for "compensation commissions", from which internal refugees have been able to obtain compensation for loss of property. This has led to a fairer assessment of internal refugees' applications for compensation, and to an increase in the number of applications. Total expenditure for this contribution is around USD 473,000, of which Sida has contributed a total of SEK 1.2 million.

The Balkans and the Southern Caucasus

In conjunction with the Danish aid organisation DANIDA, Sida has financed the Danish organisation Cross Cultures Project Association, which for many years has been working with football schools in the Balkans and the Southern Caucasus. Through the medium of football, these bring together children from across real or potential conflict borders, without nationalistic overtones, in order to promote peaceful co-existence and tolerance among young people from different ethnic and social groups. During 2007 a total of 1,920 young people took part, and a total of SEK 3 million was provided in aid. Sida considers the activity makes a valuable and concrete contribution to the ongoing process of democratisation and conflict resolution because it reaches a group which is otherwise seldom involved.

Goal: EU integration and coordination

Collaboration in the Black Sea region is governed by the needs which closer association with the EU brings to the fore in the countries' negotiation and alignment processes.

In order to increase the level of goal fulfilment, Sida has chosen to work on issues with high priority on the EU agenda. Initiatives have been started, among others, within the area of public financial control; these aim to prepare the way for complementary Swedish contributions relating to the EU's sector budget support. Work is also under way to strengthen the countries' ownership and bring about better coordination among donors. During 2007 direct aid to specific EU-related processes accounted for only a limited part of total aid, but other contributions too are increasingly permeated by EU integration.

Ukraine

Membership of the World Trade Organisation (WTO) is a prerequisite for Ukraine's next step in closer association with the EU. Two Sida contributions (SEK 1.5 million in 2007) have been made during the year, partly with a view to contributing to more effective administration and increased knowledge of WTO, and partly to disseminate knowledge of what the Free Trade Agreement (FTA) means in relation to alternative trading arrangements. The contributions have been made in collaboration with Ukrainian think tanks and with the Swedish National Board of Trade. Analyses of the consequences of FTA and the change work facing the agencies when WTO membership comes into effect have been presented to local business communities around the country, with a particular focus on regions where there would otherwise be a risk of an information deficit. Sida considers that the contributions have resulted in more effective preparations for membership of the WTO.

Sida has contributed to part-financing (SEK 3 million in 2007) of work to reform the Ukrainian electoral system. One positive interim result during the year was implementation of the parliamentary elections in September, which functioned relatively well, according to an assessment by ODIHR.

Goal: Economic and social development and equality

Within the Black Sea countries there are enormous economic differences between urban and rural areas. The uneven distribution of resources is one of the reasons for higher unemployment and emigration, which in themselves present an obstacle to European integration. Sida has helped to promote increased employment and social equality through long-term contributions.

Armenia and Ukraine

With a view to promoting economic and social development and equality in Armenia and Ukraine, Sida has initiated contributions within the forestry sectors in the two countries. Forestry is an important industry, but one which is still reliant on outdated methods. Sida's contributions (SEK 5.5 million to Armenia, SEK 3.6 million to Ukraine) have contributed to the introduction of modern methods for inventory-taking, planning, statistics and demonstration areas, as well as academic education and research.

Ukraine

Sida has financed contributions within agriculture in Ukraine with a view to increasing the country's productivity within market gardening and the dairy sector. A further aim of the aid has been to improve the distribution of perishable goods and to train bank employees to provide more effective credit to the agricultural sector. Sida's expenditure on projects during 2007 was approximately SEK 4.8 million. The contributions have resulted in new sales opportunities during the early vegetable season. Milk productivity increased by ten per cent during the first half of 2007 at three out of five pilot farms. Given that milk production in the country as a whole fell by just over four per cent, this is a good result, and during the year the aid was extended to cover a further seven pilot farms. The volume of bank credits to a number of pilot farms has also increased, and a number of standardisation measures have been carried out, facilitating sales to large buyers.

Moldova

In Moldova Sida has been financing a rural development programme with activities throughout the country since 2002. The aim of the programme has been to increase growth in rural areas. Sida has provided financing of SEK 48 million for the programme in the period 2006–2009, SEK 17 million of which in 2007. Total expenditure on the programme has been SEK 208 million. During 2007, a total of 365 villages and more than 7,600 participants have received technical consultancy and financial assistance, either via loans or consultation. An interim target is to create new small and medium-sized enterprises in rural areas. More than 180 companies have been established as a result of the programme. There are no reliable statistics as to whether incomes have increased for various groups, but there has been a general increase in disposable income for the rural population as a whole.

RUSSIA, BELARUS AND CENTRAL ASIA

Goal: Democratic governance based on respect for human rights

Within the goal Democratic governance based on respect for human rights, Sida has worked more with direct key players within human rights than before, particularly in Russia. Priority issues have been freedom of expression and a reduction in gender-based violence. During the year Sida began assessing aid to LGBT persons in Russia.

Belarus

Independent media in Belarus remain vulnerable and increasingly few in numbers, for which reason Sida provides support via the Institute for Further Education of Journalists (FOJO), which is working with Belarusian journalists. This collaboration has contributed to a sophisticated and enhanced understanding of the role of the mass media in a democratic society and increased journalistic knowledge. Assistance has also been provided to enrich

the participants' specialist knowledge of working methods, interview techniques and journalistic ethics, and enhance their understanding of equality issues linked to journalism and the mass media, for example sexist advertising and publication of images. One particular aim of the activities carried out during 2007 has been to discuss the situation for regional mass media and the role of the media in reporting on ethnic minorities and immigrants. A total of 145 persons participated in 15 different project activities in the period 2005–2007, plus 20 persons in two in-house projects on four Belarusian local newspapers. 52 per cent of the participants were women. Sida's concluding phase for this contribution (2005–2007) had a total budget of around SEK 6 million, and the outcome for 2007 was SEK 1.9 million.

Russia

Sida is supporting a project in Russia run by Kvinnoforum, the Foundation of Women's Forum, the aim of which is to remedy the lack of reporting on equality. Sida is providing finance of SEK 3.4 million, and outcome in 2007 was SEK 0.7 million. The most prominent result of the project during 2007 has been the production of six short films on equality. The films have been shown on six regional TV channels in connection with the evening news, and are estimated to have reached almost 50 million viewers. As no measurements have been made of the extent to which knowledge of the issue has increased, it is not possible to say anything about the effects in precise terms. However, given the large target group reached by the film, Sida considers the issue of equality has been better illuminated.

Via the Swedish Helsinki Committee, Sida has been supporting the Russian organisation Russia Justice Initiative since 2004. The organisation documents violations of human rights and provides legal assistance to the relatives of people who disappeared during the Chechen war. Total expenditure for the project is SEK 3.6 million in phase 1 and SEK 2.7 million in phase 2. The organisation is currently supporting around one hundred cases being assessed in the European Court of Human Rights and, in several cases, the Russian state has been convicted of unfair treatment of Chechens. A total of 133 cases have been decided by the Court, 12 of which in 2007. The Russian state has been convicted in a total of eight cases, three of which in 2007. The judgements mean that a number of Chechen families have received economic compensation from the Russian state for violations committed by Russian authorities during the Chechen war.

Kyrgyzstan

Sida's aid to public health in Kyrgyzstan has contributed to the establishment of 180 and 160 village health committees respectively in two counties. The introduction of the committees has increased the influence of the villagers and they are now being given increased co-determination, concerning both measures and prioritisations to improve public health. Among other things, iodised salt, measures

to tackle malaria, and breastfeeding initiatives have been identified as particularly important. The project is being co-financed with Switzerland and total expenditure is SEK 23.6 million, with Sida responsible for SEK 12 million of this. Expenditure in 2007 was SEK 5.6 million. Swedish aid has enabled activities to be expanded to cover more countries.

Goal: EU integration and coordination

Although Belarus is covered by the EU's European Neighbourhood and Partnership Instrument (ENPI) and surrounded by EU members, relations between Belarus and the EU are occasionally strained. During 2007 Sida has significantly increased its level of ambition to coordinate with the EU, primarily with regard to Belarus, but work is also under way in Tajikistan and Kyrgyzstan. Central Asia is not covered by ENPI but the EU has recently adopted a new strategy for its work in Central Asia and will upgrade its office in Kyrgyzstan, allowing better coordination in the field. Sweden wants to strengthen the EU offices in Central Asia, and has offered two national experts.

Belarus

Active dialogue was conducted during 2007 on coordination concerning the European Partnership Instrument for Belarus 2007–2010 and Sweden's contribution to this via Sida. Sweden has highlighted the importance of the role of non-governmental organisations in development cooperation. No EU action plan has been drawn up for the country, as Belarus's understanding of and respect for human rights need to be improved before this can happen. Instead, the EU has an annual action programme of limited scope. Consultation has also taken place with regard to drawing up energy policies within the framework of the action programme. Informal coordination concerning Belarus has been stepped up during the year, both in terms of neighbouring countries and in Brussels.

Tajikistan

In Tajikistan Sida has worked actively for increased coordination of the donor group. In the period up to June 2007 Sida chaired the Donor Coordination Council, which aims to promote donor coordination and harmonisation in the spirit of the Paris Agenda. Sida considers that increased coordination has resulted in simpler dialogue with the Tajik government and in more sophisticated forms of cooperation. The Donor Coordination Council has become the forum for general discussions and feedback in the process of drawing up Tajikistan's new poverty reduction strategy.

Goal: Economic and social development and equality

During 2007 Sida has reduced its work on economic development in Russia in line with the strategy and the fact that cooperation is to be phased out. The work on social development has achieved several positive results. In Belarus work on social and economic development is carried out from a rights perspective, aiming at enhanced rights for the individual.

Belarus

The private sector in Belarus remains under-dimensioned. Belarus is ranked 110th of 178 countries for "ease of doing business". A multi-year Sida aid package to small entrepreneurs in Belarus via the International Finance Corporation (IFC), which runs to 2010, was renewed during 2007. The new phase has a volume of SEK 9.8 million, SEK 2 million of which was used in 2007. The aim of the support is partly to improve the climate for entrepreneurs and partly to strengthen entrepreneurs' organisations. Among other things, the project financed by Sida has contributed to reform of the country's system for registering companies. The "one-stop shop" concept has cut the registration time for new companies from 41 to 30 days, with the costs of registering falling by 58 per cent at the same time. According to the World Bank's statistics for 2007, Belarus has advanced 13 places from last year and is one of the ten countries which have made the greatest progress in terms of reforms for the creation of new business.

Russia

Further to the phasing out of development cooperation with Russia, several projects have been concluded during the year according to plan. These included the projects Develop Your Business and Grow Kaluga, the aims of which were to develop Russian entrepreneur training and the respective agencies' support to entrepreneurs. Grow Kaluga has helped to create opportunities for an investment of SEK 1 billion by Volvo in the Russian town of Kaluga. The leadership of Kaluga Oblast considers that the project has made an important contribution to the development of the industrial estate concept in the town. Since 1994 Sida has been supporting training in modern business management for leaders within the Russian business community via Develop Your Business. The project has successfully introduced new management training programmes at nine regional university colleges, and it is estimated that a total of around 4,000 Russian entrepreneurs have gone through the programmes. Approximately 200 entrepreneurs have been trained in the Kaluga area.

Russia has 13 million people registered as disabled, 30 per cent of them of working age. Despite the shortage of labour in Russia, the labour market situation for the disabled is extremely difficult, and formal "disabled" status often leads to permanent dependence on benefits. Sida therefore considers that an increased number of disabled people in working life will not only lead to social equality but also to increased economic development. A final report was drawn up in 2007 for a multi-year contribution in St Petersburg, the goal of which has been to integrate the disabled in working life. The initiative is considered to have contributed to a more proactive policy on disabled people, with improved individual support for the disabled and a change in attitude to the capacity for work of disabled people. During the period a total of 500 persons underwent in-depth evaluation of their capacity for work. In 2006 just over 750 workplaces were adapted for the

disabled and modernised. During the period a total of 250 new jobs were created, thanks to a new Russian decree based on Swedish support. Sida's total contribution to the project is SEK 4.8 million.

WESTERN BALKANS

In the Western Balkans Sida is supporting democratic development with respect for human rights and the principles of a state governed by law. Also in focus are the respective countries' efforts for economic and social development and preparations for EU integration with alignment to the Community's legislation.

Goal: Democratic governance based on respect for human rights

Continued reforms in all the countries of the Western Balkans are essential for improved governance and increased respect for human rights. During 2007 Sida has first and foremost supported ongoing reform processes in conjunction with multilateral or other bilateral donors.

Bosnia and Herzegovina

The 2007 report on the first phase of the Bosnia and Herzegovina (BIH) Governance Accountability Project points to many positive results. Among other things, 41 municipalities have gained an improved administrative service, covering everything from birth certificates to company registration. The municipalities' IT infrastructures have also been expanded by 75 servers, 1,250 computers and 370 printers. Municipal staffs have also been trained in the new administrative systems. In order to prevent widespread corruption, the project has also equipped municipal offices so that the work is now being conducted in open premises. Sida has contributed SEK 75 million to the project, and the outcome for 2007 was SEK 25 million.

Albania

In Albania a project was completed in 2007 which aimed to strengthen the administrative functions within the Albanian National Tax Board and within the two largest local tax authorities in Tirana and Durrës. The results indicate increased tax revenues and an increase in the number of registered taxpayers. The new working organisation structure also means that the National Tax Board and the two local tax authorities are working more efficiently.

Montenegro

The project "Enhancing the Capacity of Modern and Democratic Policing in Montenegro" was carried out with a view to modernising the police system and has resulted in development of the police college's curriculum and further training of the instructors in both teaching and investigative methods. A new anonymous selection system has led, among other things, to female students being admitted to the police college, which was not the case previously. Further training courses have also resulted in

improvements and efficiency gains in crime scene investigations.

Kosovo

At the elections in Kosovo in November 2007, Sida financed 14 election observers under the auspices of the Council of Europe. The Kosovo Democratic Institute, an institute which works with the media to emphasise politicians' accountability to the electors, also received support ahead of the election campaign via the Olof Palme International Center. Sida considers that the contributions helped the election to be conducted democratically, despite the complicated political and social situation in the country.

Summary

Sida considers aid for democratic governance and increased respect for human rights in the Western Balkans to be central in preventing conflicts. The majority of the projects carried out during 2007 have achieved their aims, although there were exceptions where reforms were not able to be implemented to plan as a result of a lack of political will in the partner countries. There is an obvious need for continued reforms in order to bring about improved governance and increased respect for human rights in the Western Balkans. Sida considers aid to civil society via Swedish organisations to be both relevant and effective.

Goal: EU integration and coordination

Reform aid in the Western Balkans is targeted at promoting EU integration and future EU membership. During the year Sida has engaged in dialogue and provided support to various projects, such as projects within public sector administration and agriculture. During 2007 Sida has worked actively on the analysis of projects financed by the EU via its pre-accession assistance. Among other things the aim has been to influence the Commission to better respect the development agendas of the partner countries and to promote the coordination of aid between the Commission and the member states.

Albania

In Albania Sida has co-financed the "Support to Public Expenditure Management" project with the United Kingdom and the Netherlands. The project has been led by the Albanian Ministry of Finance and had the aim of seeing Albania's development planning and EU integration reflected in the national budget. A draft new finance act has been produced, and in October 2007 the Ministry of Finance presented the first draft budget for the period 2008–2010 in accordance with the new budget process. Sida's expenditure on the project in 2007 was SEK 4 million.

Serbia

During the year Sida has supported the Ministry of Finance's Development and Aid Coordination Unit

(DACU) in Serbia. Among other things, the project has resulted in an improvement in Serbia's coordination and programming of EU pre-accession assistance. The needs analysis produced by DACU has served as a national plan for the Serbian government, the EU and other donors in planning their aid to Serbia.

Goal: Economic and social development and equality

Reforms are essential in all the countries in the Western Balkans in order to accelerate economic and social development and equality. The private sector and civil society need to be involved in this development too. During 2007 Sida concentrated more on projects with an inclusive approach.

Albania

In Albania Sida has financed waste management projects in the Korca region. Collaboration with agencies has resulted, among other things, in the work and income of settled Roma from sales of recyclable materials being legalised. Hazardous waste, for example from hospitals, is now handled and disposed of in accordance with EU standards.

Systems for more effective charging of municipal residents have been introduced in four municipalities. Information campaigns concerning sorting of household waste and recycling have been introduced in collaboration with women's organisations, among others. During 2007 two national conferences were arranged to disseminate knowledge of the project results in Korca and to create a model for other municipalities in Albania. Expenditure on the project during 2007 was approximately SEK 4.3 million.

Kosovo

In Kosovo Sida has supported a project entitled the "Municipal Spatial Planning Support Programme", which aimed to produce municipal development plans in six towns. The first phase of the programme shows good results. For example, seven pilot projects have been carried out, including within the area of transport. The work to produce municipal development plans has been completed in two towns, and seminars have been held in all six towns, with civil society—in dialogue with the municipalities—producing vision documents on the approach to the municipality's economic, social and environmental development. Expenditure on the project was SEK 6.5 million in 2007.

Macedonia

The second phase of Sida assistance to the national farmers' organisation FFRM was completed in Macedonia. The assistance has been channelled via the Federation of Swedish Farmers (LRF), in Sweden. LRF's local associations have also been active in providing assistance to colleagues in Macedonia. Among other things the cooperation has resulted in 112 member organisations comprising approximately 10,000 farmers affiliating themselves to FFRM, and in 17 new cooperatively owned agricultural

companies being established. FFRM has grown as a democratic organisation and can justifiably see itself as representing Macedonia's farmers via the local associations which have affiliated them to the organisation. FFRM has also developed into a central lobbying organisation for the farmers vis-à-vis the government and the business community. Working closely with LRF has also promoted stronger relations with EU work in Brussels.

Summary

Sida considers that the majority of the projects carried out during 2007 to support economic and social development and equality in the Western Balkans have achieved good goal fulfilment. The results of projects which involved several organisations, including the private sector and civil society, will probably be the most sustainable.

How activities have helped to conserve, protect and improve the environment in and around the Baltic and north-western Russia.

Environmental cooperation complements environmental policy work in the region with a view to conserving, protecting and improving the environment in and around the Baltic and north-western Russia. Sida gives particular priority to initiatives within the framework of the Baltic Sea Action Plan (HELCOM) and initiatives under the Northern Dimension Environmental Partnership (NDEP). There is close collaboration with international financing institutions such as the Nordic Investment Bank (NIB), the World Bank, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB) and Nordic Environment Finance Corporation (NEFCO).

A new financing plan for the water and sewage project in Kaliningrad has been presented by the Russia parties. The plan involves covering the cost gap between the initial estimate of USD 56.8 million and the latest estimate of USD 128.3 million with grants from the Russian Federation and NDEP (EUR 10 million). Sida's total contribution is SEK 126 million, SEK 33 million of which in 2007. Implementation of the project is estimated to take 3–4 years, and the aim is for previously virtually untreated sewage from 450,000 persons to be treated to HELCOM (EU) standards. In St Petersburg the collaboration has continued with a view to further reducing emissions, primarily of eutrophic substances. The town has drawn up a plan for continued investments, entailing major reductions in phosphorus and nitrogen. The reduced emissions are equivalent to the pollution from around 1.5 million people. In 2007 Sida decided to contribute SEK 49 million to initiatives to increase the capacity and treatment effect of the Northern sewage treatment plant, expenditure on which was SEK 12 million in 2007. The sewage project in Panevezys was completed during the year, and has resulted in the sewage treatment plant being upgraded to meet HELCOM/EU requirements. Implementation of district heating initiatives in Murmansk and Kaliningrad, with the aim of increased energy efficiency and reduced emissions,

Table 7. Support via NGOs, non-ODA

Approved grants	Grants to framework organisations, SEK '000			Number of foreign partners			Number of Swedish organisations included in the framework organisation's activities		
	2005	2006*	2007**	2005	2006*	2007**	2005	2006*	2007**
Swedish NGO Centre for Development Cooperation (Forum Syd)	17 500	6 764	4 859	41	27	24	53	25	22
LO/TCO Council of International Trade Union Cooperation	9 000	7 930	5 597	28	30	18	15	12	8
Olof Palme International Center	12 000	7 825	4 748	25	21	11	17	15	10
PMU Interlife	1 000	900	248	9	8	3	8	5	3
Save the Children Sweden	1 000	1 000	1 000	4	4	1	0	0	0
Church of Sweden	432	450	0	1	1	0	0	0	0
Swedish Organisations of Persons with Disabilities International Aid Association (SHIA)	2 500	1 972	653	11	11	5	11	10	3
Swedish Mission Council	1 000	373	343	4	2	1	4	1	1
Swedish Cooperative Centre	4 500	1 133	1 237	8	3	3	0	0	0
Swedish Society for the Conservation of Nature	3 500	2 541	3 000	23	22	16	4	4	3
Total	52 432	30 888	21 684	154	129	82	112	72	50
Information contributions via Swedish NGOs									
Swedish NGO Centre for Development Cooperation (Forum Syd)	167	165	200						
Swedish Fellowship of Reconciliation	100	-23	0						
Kvinna till Kvinna (Woman to Woman) Foundation	100	0	0						
National Council of Swedish Youth Organisations	200	40	0						
LO/TCO Council of International Trade Union Cooperation	197	200	0						
Olof Palme International Center	200	199	0						
PMU Interlife	0	200	200						
Sensus Study Association	0	0	250						
Studieförbundet Vuxenskolan (adult education association)	600	615	0						
Swedish Sports Movement Study Association	100	0	0						
Swedish Organisations of Persons with Disabilities International Aid Association (SHIA)	300	100	0						
Swedish Mission Council	90	320	0						
Swedish Society for the Conservation of Nature	50	130	50						
Swedish Red Cross	-21	400	239						
Swedish Cooperative Centre	300	250	150						
World Wildlife Fund	200	40	-40						
Other organisations	1 400	400	0						
Total	3 983	3 036	1 049						

Table 8. NGOs by main sector, non-ODA, expenditure in SEK '000

Broken down by main sector	2005	2006	2007
Health	2 378	129	773
Education	3 766	-33	216
Democratic governance and human rights	24 356	24 627	17 463
Conflict, peace and security	108	0	0
Trade, industry and financial systems	6 863	89	0
Infrastructure	145	-73	0
Humanitarian assistance	900	0	0
Natural resources and environment	7 844	3 535	4 271
Other sectors	7 442	727	10
Total	53 801	29 002	22 733

* From 2006 contributions in Ukraine and Belarus are reported under operational area 8:1.5 NGOs.

** only Russia in 2007

Negative amounts relate to repayments.

including of greenhouse gases, has been delayed as a result of protracted loan negotiations between the banks and the Russian parties. Sida will finance technical assistance for the project.

Twinning activities within Europe, the Middle East and North Africa

In accordance with the mandate in the Government's letter of appropriations, Sida has been the national point

of contact for all twinning activities within ENPI and IPA, as well as TAIEX. During the year Sida has collaborated closely with the agencies involved and the Ministry for Foreign Affairs. Among other things, in June 2007 Sida organised a summit meeting for the Ministry and agencies. The aim was to provide information on twinning activities and the EU's new financing instruments, and to provide an arena for discussion and exchange of experiences.

Sida has provided ongoing support for the preparatory work, in accordance with the priorities set. During 2007 Sweden submitted 15 tenders and won six international twinning projects.

Measures taken to support national action plans for integrating minority populations, particularly Roma, in the Western Balkans.

Work to develop action plans for integration of Roma has been initiated in 2007 in Bosnia and Herzegovina and in Kosovo, two regions which have not yet signed up to the Decade of Roma Inclusion. In Bosnia and Herzegovina Sida has provided support to the Ministry of Human Rights and Refugees, which is drawing up an action plan for Roma housing. During 2007 Sida also provided support to a UNDP programme in Kosovo, Montenegro and Serbia, with the aim of drawing up and implementing action plans for integrating Roma in the labour market and in social systems.

As part of the integrated area programmes, in the period 2006–2007 Sida financed the reconstruction of a total of 79 housing units in Bosnia and Herzegovina for Roma, 19 of which through Caritas, 22 through the Lutheran World Federation in Tuzla, 21 through the Lutheran World Federation in Sanski Most and 17 through PEP International.

In the period 2006–2007 Sida supported the reconstruction of 19 housing units for Roma in Kosovo via the Danish Refugee Council, and 70 through the Swedish charity Erikshjälpen for Serbs (6), Bosnians (20), Askali (12), Roma (15) and Egyptians (17).

During 2007 Sida provided support via the European Roma Rights Centre (ERRC) for monitoring of Roma rights and of fundamentally important legal cases in the Western Balkans and in Bulgaria, Romania, Belarus, Ukraine and Turkey. In November 2007, with support from ERRC, victims won a long process against the Czech Republic and Slovakia, where segregation of Roma to special schools for children with learning difficulties was judged to be a violation of fundamental human rights.

Sida has also provided assistance to the Roma Education Fund (REF) for integration of Roma in school education in the Western Balkans. During the first half of 2007 REF awarded funding to 20 projects, most in Serbia and Macedonia.

Via UNDP, in Bulgaria Sida has supported two job centres for Roma. As at July 2007 these had created 485 jobs and trained 648 Roma, as well as providing start-up assistance for 52 companies which are owned by or employ Roma. Also via UNDP, in Rumania Sida has provided assistance for the establishment of six social advisory centres for Roma.

Volume and focus of contributions in the Western Balkans to support regional integration, for example within the framework of the Stability Pact

A very high proportion of Sida's contributions in the Western Balkans support regional cooperation and integration. The section below provides examples of some of these contributions.

During 2007 Sida financed collaboration among the neighbouring municipalities in three regions in the Western Balkans through the EastWest Institute. Among other things, youth camps were arranged during the period in the Prespa-Ohrid region, with 35 participants from Macedonia, Albania and Greece. Two municipal offices have been established for transboundary cooperation in the Macedonia/Serbia/Kosovo region, while another two remain to be established. There is also an agreement concerning various activities to improve collaboration in the region.

During 2007 Sida supported three regional projects to tackle trafficking in the Balkans. The implementing organisations were the International Organisation for Migration, the MTV Foundation and Save the Children Norway. In Albania it can be noted that the number of people exposed to trafficking has fallen. All the activities which have drawn attention to trafficking have created an awareness among local and national agencies, which has contributed to the positive trend.

Among other things, a regional HIV/AIDS project carried out by Partnerships in Health has created regional networks among the small number of specialists present in the region. This has helped to improve the treatment of people with HIV/AIDS and has stimulated exchange of experience among the countries.

ANALYSIS OF OUTCOME

The outcome for 2007 for the operational area Eastern Europe and Central Asia was SEK 1.6 billion, which is just over 10 per cent for Sida's total outcome. The total outcome for the operational area Eastern Europe and Central Asia has fallen by around 8 per cent since 2006. This fall can mainly be attributed to the reduction in aid to Russia, which fell by SEK 68 million compared with 2006 as a result of the decision to phase out aid altogether.

Project support remains the dominant type of support. The proportion of programme support has been low, and none of the current cooperation strategies made provision for budget support in 2007. Technical assistance including contract-financed technical cooperation has fallen, and only a small number of decisions were taken concerning new contract-financed technical cooperation.

Democracy and human rights were again the dominant sector and are included in all cooperation strategies. Support for Natural resources and environment has increased, primarily in the ODA countries. Support for infrastructure has fallen by approximately 30 per cent compared with 2006. This is mainly a result of Sida being in the process of concluding the extensive support for reconstruction of housing after the war in Bosnia and Herzegovina, within the framework of the integrated area programmes. The trend for more of the assistance to be channelled via multilateral organisations has continued, and the proportion disbursed via Swedish parties has fallen.

Despite a significant decrease, Russia has been the main partner country in the region, closely followed by Bosnia

and Herzegovina. Expenditure for the cooperation with Bosnia and Herzegovina has fallen by around 15 per cent compared with 2006, which is largely a result of the phasing out of the integrated area programmes here. A new cooperation strategy for Moldova was adopted in 2007, and the programme was expanded during the year. Political turbulence in Ukraine has meant that cooperation has not increased to the extent envisaged, with outcome remaining on the same level as 2006. The reduction for Serbia relates to the fact that Montenegro and Kosovo were reported as one country until 2007. Montenegro has been an independent country since 2006 and the issue concerning the status of Kosovo remains unresolved. Both countries are reported separately with effect from 2007.

Work to reduce the number of contributions has generated results. Contributions have become longer term in nature, at the same time as the operational area now covers a number of smaller contributions, such as election monitoring and support for preparations for the participation of Swedish agencies in the EU's twinning programme. The majority of countries in the region are small, both in terms of area and population, which impacts on opportunities for larger-scale contributions. Sida does not provide budget support to any country in the region.

Total administrative expenses calculated by country and in relation to outcome volume are 7.6 per cent. Bosnia

and Herzegovina is the largest ODA country in the region with administrative expenses of 4.9 per cent. A number of larger programmes contribute to relatively low administrative expenses. Overall, the figures indicate that administrative expenses in relation to outcome volume are lower for the five main countries than the average for the countries in the region.

Expenditure on representatives varies greatly among the countries in the region, and neither can administrative expenses be translated directly into number of services. The phasing out of development cooperation with Russia is labour-intensive. Despite this, the proportion of administrative expenses for the cooperation is relatively low at 5.2 per cent, largely because Sida has a low presence in the field and the majority of the cooperation has been handled from Stockholm.

Other sectors include expenditure on the EU-related work being conducted in the region, time-intensive work which, at the same time, does not generate disbursements from Sida. Sida is working actively to align Swedish development cooperation with EU aid and with the action programmes for closer association with the EU which are in place for the majority of countries in the region. The expenditure included under budget support mainly relates to preparatory studies drawn up for a few of the countries in the region.

Table 9.

Eastern Europe and Central Asia, expenditure in SEK '000

The main partner countries 2007	2005		2006		2007		Administrative expenses 2007	
Russia *	316 902		323 484		255 678		13 224	
Bosnia and Herzegovina	317 632		272 738		232 549		11 109	
Serbia **	219 092		290 659		122 801		11 350	
Ukraine ***	66 264		112 592		109 270		7 144	
Moldova	58 763		79 782		106 127		6 846	
Other countries/regions	578 440		613 363		729 738		65 937	
Total expenditure	1 557 093		1 692 618		1 556 163		115 609	
Type of support		of which non-ODA***		of which non-ODA		of which non-ODA		
Project support	981 775	292 693	1 113 702	222 249	1 109 294	162 953		
Technical assistance, incl. contract-financed technical cooperation	265 184	156 226	273 390	126 242	181 103	73 691		
International training programmes	15 634	0	20 566	0	17 789	0		
Credits	62 124	-35	3 249	770	1 373	175		
Guarantees	0	0	0	0	0	0		
Programme support	5 771	0	13 600	0	19 864	-109		
of which general budget support	0	0	0	0	0	0		
sector programme support	5 771	0	13 600	0	19 864	-109		
Humanitarian assistance	18 725	2 370	10 959	1 404	11 128	87		
Research	15 000	0	4 794	0	7 206	0		
Grants to NGOs	192 881	67 238	252 357	33 580	208 407	25 126		
Total costs	1 557 093	518 492	1 692 618	384 243	1 556 163	261 923		
Channels								
Multilateral organisations	170 156	21 817	299 482	23 701	345 760	15 016		
Swedish organisations	957 854	440 884	945 848	317 357	838 428	236 457		
Organisations in partner countries	75 637	29 891	136 610	24 837	141 896	7 964		
Organisations in other countries	296 972	15 195	152 213	14 880	136 480	884		
International NGOs	56 474	10 705	158 465	3 470	93 598	1 602		
Total costs	1 557 093	518 492	1 692 618	384 243	1 556 163	261 923		
Main sectors							of which non-ODA	
Health	148 379	58 014	184 459	63 205	191 798	58 379	10 957	2 710
Education	45 947	9 753	49 440	13 404	34 391	6 567	0	0
Research	124	0	2 641	757	2 011	870	0	0
Democratic governance and human rights	581 680	142 614	719 781	117 024	665 428	81 629	51 398	7 358
Conflict, peace and security	22 288	4 121	22 992	5 395	29 400	1 656	712	0
Humanitarian assistance	2 880	900	4 785	0	1 070	0	0	0
Infrastructure	218 574	17 268	224 851	16 661	151 733	9 244	9 802	1 353
Trade, industry and financial systems	112 094	19 371	78 127	28 454	46 195	5 679	11 648	753
Natural resources and environment	374 282	169 860	366 807	137 230	394 723	96 842	21 685	2 462
Budget support for poverty reduction	0	0	0	0	0	0	214	0
Other sectors	50 846	10 954	38 734	2 114	39 415	1 057	9 193	0
Total costs	1 557 093	432 856	1 692 618	384 243	1 556 163	261 923	115 609	14 635
Number of valid contributions	1 051	636	938	359	809	214		
of which > SEK 15 million	16	8	14	2	15	3		
number of new contributions	310	220	251	75	193	20		

* Non-ODA country

** In 2005 and 2006 Serbia also included Kosovo and Montenegro.

*** In 2005 Ukraine and Belarus were included in non-ODA countries; since then they have been counted as ODA countries.

Negative amounts relate to repayments.

Total expenditure for the operational area includes outcome for staff financed under the development cooperation appropriation.

For total expenditure excluding this, see Annex 3.

Global development programmes

Sida will contribute to the development of increased knowledge of international development cooperation through policy, method and development of capacity and institutions. Sida will work for a higher proportion of qualified Swedish personnel in prioritised international and regional organisations and expand and develop the Swedish resource base for international development cooperation.

Sida will contribute to the work of international organisations and act as a catalyst in processes of importance to the priorities identified in the budget bill.

ASSESSMENT OF OPERATIONAL RESULTS

This operational area comprises support for policy, method, capacity and institutional development, through support to international and national NGOs and the UN system and broadening the Swedish resource base in line with the priorities set out in the budget bill.

The contributions shown below have been selected on the basis of their volume and/or their special catalytic effect or “headwind contributions” or on the basis of the financial conditions laid down in the government appropriation directions.

International institutional cooperation is crucial if it is to be possible to meet the global challenges in the long term. The appropriation item of global development programmes enables Sida to support urgent work at the global level in prioritised thematic areas through international organisations, through education, opinion-forming, monitoring and advocacy based on the general documents and standards that govern development cooperation (for example Policy for Global Development). Collaboration between leading international organisations results in quicker impact, contributes to harmonisation and results in feedback of thinking and knowledge.

Global programmes supplement and strengthen bilateral development cooperation and produce synergistic effects that improve the effectiveness of collective Swedish development cooperation. This appropriation item has grown sharply in recent years, and its management has been complicated in particular by the fact that the one-year appropriations have varied in terms of size and conditions while many contributions are agreed for three years. In order to bring about better control, planning and follow-up, the Swedish Government has decided on a three-year strategy for Global Development Programmes based of a proposal from Sida, a strategy that is to apply with effect

from 2008. In conjunction with the strategy for multilateral cooperation, this will make possible more long-term planning of phase-out or support for new contributions, as well as clearer reporting of outcome in thematic areas prioritised by the Government.

Democracy and human rights

In 2007, Sida’s activities at the global level resulted in the development of new systems for review of the human rights situation. In addition, Sida’s support has led to work with youth participation becoming more focused and to the creation of more meeting places for culture workers. Development statistics have been made more understandable and readily accessible on the Internet through Sida’s support to the Gapminder Foundation. With regard to the support for organisations affiliated to political parties it is reported that six of these in 2007 jointly carried out a project in Guatemala in which young politicians who took part in the programme have been motivated to continue in politics. Long-term results in the project indicate that the young people who have taken part have also been able to attain higher positions within their parties.

An example of Sida’s global support aimed at promoting human rights is the support given to the United Nations Office of the High Commission for Human Rights (OHCHR). The OHCHR’s total budget in 2007 was 125 million dollars, SEK 41 million of which came from Sida, including SEK 22 million from the appropriation for global programmes. Examples of results achieved through the work of the OHCHR at country level in 2007 are that forced migrations in Cambodia were prevented and an action plan aimed at stopping the recruitment of child soldiers was initiated in Uganda. In addition, the OHCHR’s reports on human rights violations by the Ugandan army have led to the army initiating several internal investigations.

An example of what is known as headwind areas supported by Sida at the global level is support for the International Disability Alliance (IDA) and its work towards achieving a breakthrough for the UN Convention on the Rights of Persons with Disabilities in developing countries. A sum of SEK 3 million was disbursed in 2007. It is reported that the activities of the IDA have contributed to several states having signed and ratified the convention.

Through the Swedish Institute (SI) Sida has worked for the creation of new meeting places where cultural workers can exchange experiences and establish networks. These contacts and networks have survived beyond the project period. Sida's grant to SI in 2007 totalled SEK 15 million. Experience shows that long-term projects achieve better and more sustainable results than short-term ones. Sida has therefore encouraged SI to reduce one-off exchange in music and theatre in favour of fewer and more long-term initiatives that contribute to poverty reduction. Results also show that SI's work has sparked a debate on gender equality and encouraged reading among children and adolescents. Sida judges that the programme has contributed to internationalising Swedish cultural activity and creating interest in countries outside the western world.

Education

From the financial point of view, Sida's greatest contributions in the educational area in 2007 were made to the United Nations Children's Fund (UNICEF) and the United Nations Educational, Scientific and Cultural Organisation (UNESCO). These were supplemented by smaller contributions to civil society, focusing on boosting the role of civil society in critically examining development in the educational sector in Sweden's partner countries. Two measurable results to which Sida has contributed are more pupils, and a higher proportion of girls, than previously being registered in primary schools. This is partly a result of school fees having been abolished in many countries and of the issue of gender equality having been given more prominence on the political agenda.

Sida has made efforts to expand, train and develop the Swedish resource base for international development cooperation. Work to establish a centre for education on sustainable development at Gotland University, for instance, has been initiated on behalf of the Government.

Health

In the area of health Sida supports international normative efforts on the treatment of diseases, research and development, mobilisation of resources and advocacy, and cooperation between the public and private sectors at the global level.

From the financial point of view, Sida's greatest contributions in the area of health were made to the Global Alliance for Vaccination and Immunisation (GAVI), the World Health Organisation (WHO) and the International Planned Parenthood Federation (IPPF). GAVI received support totalling SEK 100 million in 2007. Through GAVI, Sida supports work aimed at introducing new vaccines and supporting countries' vaccination programmes. The WHO has estimated that in its first six years (up to and including 2006) GAVI has contributed to preventing 2.3 million deaths.

In 2007 Sida's support through the global appropriation resulted, for instance, in closer cooperation with the Swedish resource base, the production of communication material in the event of outbreaks of avian influenza as well as international meetings such as the Women Deliver conference, which is expected to influence the global dialogue on maternal and neonatal health (MNH) in accordance with Sweden's prioritised areas in sexual and reproductive health and rights (SRHR). The Women Deliver conference also resulted in a ministerial resolution in which representatives of 22 nations agreed on the continued direction for MNH. Sida's assessment is that the resolution will represent an important commitment and instrument for dialogue in the global arena. Sida's grant to the Women Deliver conference totalled SEK 2.5 million.

Sida's combined grants to WHO in 2007 totalled SEK 180 million, of which SEK 103 million came from the appropri-

Table 10. Global development programmes by subject area, expenditure in SEK '000

	2005	2006	2007
Democracy/human rights, freedom of expression/access to information and cultural diversity	173 148	233 445	245 550
Education	69 591	210 489	73 674
Health	396 176	367 465	379 102
Environment (including climate) and natural resources	257 839	359 628	394 252
Labour market and employment	19 341	10 025	26 931
Information and communications technology (ICT) and infrastructure	60 386	144 715	129 836
Trade	104 364	122 789	176 944
International training programmes	151 969	196 024	231 467
Resource base programmes	115 859	151 615	199 093
Other areas	114 772	102 048	52 580
Total	1 463 442	1 898 243	1 909 427

ation for global programmes. A notable feature of the work of WHO in 2007 was the preparation of a completely new results-based planning and budgeting plan, the six-year Medium Term Strategic Plan. It is Sida's opinion that this will lead to WHO becoming a more effective organisation and that it will be easier for WHO and its financiers to gauge the results of WHO work. In May 2007 WHO adopted the first gender equality strategy, and its role in the area of health systems on the global stage relating to development cooperation and the Paris Declaration was greatly strengthened. Sida contributions also assist in the implementation of the Framework Convention on Tobacco Control (FCTC), which was adopted in 2005 and continued to be ratified at the global level in 2007.

The IPPF in 2007 worked on the creation of effective strategy and policies to enable an effective response to be made to the new development cooperation architecture. Another example is that in 2007 the African Union's heads of state adopted an action plan for the implementation of Africa's policy framework for sexual and reproductive rights. A revised IPPF policy on mobilisation of resources has also been drawn up. Sida support for the IPPF in 2007 totalled SEK 95 million.

Gender equality

Sida has implemented relevant parts of the action plan for the integration of homosexual, bisexual and transgender people (HBTs) into development cooperation, for instance through training in gender equality and HBTs for Sida personnel and external partners. Sida's work has also resulted in new strategic entry points for continued efforts having been opened up through the signing of agreements with organisations such as the Association for Women's Rights in Development (AWID) och International Development Studies (IDS/Bridge).

Environment and natural resources

Global environmental problems are growing and interacting with increasing climate effects, which in turn are an effect of environmentally harmful activities, particularly in agriculture. This is the conclusion reached in the World Development report published in 2007, to which Sida contributed financial support. Changes in availability of water are the most direct effect of the impact on climate. There is a risk of the millennium development goals relating to water and sanitation not being attained in many countries. A number of new multi-year climate and energy-related contributions were therefore prepared and climate components were added to some existing forms of cooperation in 2007.

To contribute to international policy development, generation of knowledge and the debate in prioritised thematic areas, in 2006 Sida initiated a long-term project to handle issues concerned with rights of ownership and utilisation of natural resources and adopt a common approach in Sida. The operational goals for the project included drawing up a position paper for Sida on owner-

ship of, and right to use, natural resources. "Natural Resource Tenure—a position paper for Sida" was published in August 2007. This position paper has been sent to all embassies (printed version) and relevant partners (digital link). One month after publication the document had been downloaded 389 times. Sida judges that the document has been widely endorsed and positively received among its partners and international networks. Right to own and use natural resources is judged to be of great relevance to poverty reduction and the promotion of human rights.

Sida's cooperation agreements with the Stockholm International Water Institute (SIWI) and its network SWH have boosted capacity and know-how in the area of water resources and development cooperation. Support was provided in 2007 for instance for the holding of open seminars during the World Water Week in Stockholm in the areas of anti-corruption, sanitation and financing strategies for the water sector.

Sida provided SEK 3 million in funding in 2007 for work aimed at integrating chemicals related issues into the development strategies of partner countries. This support has been channelled through the Swedish Chemicals Agency, which in cooperation with UNEP has initiated work with Zambia and Cambodia to highlight chemicals related issues in the countries' strategies. The Swedish Chemicals Agency programme also includes support for the implementation of the UN's global chemicals strategy, Strategic Approach to International Chemicals Management (SAICM), in cooperation with UNEP. Regional implementation of SAICM was initiated in 2007 in cooperation with UNEP's Basel Secretariat, and a method for analysing the status of different countries with regard to control of chemicals has been devised and pilot studies have been carried out in Mauritius, Nigeria, Kenya and Zambia. The pilot studies have provided a basis for the prioritisation of needs in 2008.

In 2007 Sida also initiated a forest initiative to create the necessary basis for qualitatively improved development cooperation in line with the PGU's objectives, where long-term use and management of forest resources serves as a means of reducing poverty and ensuring a good environment. Cooperation was initiated with the Swedish Forestry Association in the autumn of 2007. The forest initiative comprises support over three years totalling SEK 35 million and is intended to encourage and create opportunities for Swedish organisations to take part in international events, for instance by arranging conferences and training programmes on topical themes, developing opportunities for studies to increase their international expertise and fostering learning on Sida's global forest projects/programmes for example through networks of Swedish institutions/organisations that can follow up and contribute to the continued development of these projects.

Through SwedBio, Sida has been proactive in safeguarding ecosystem services—and their linkage to poverty reduction. This has been a priority issue for the United Nations Environment Programme (UNEP). In

cooperation with the Ministry of the Environment and SwedBio, Sida has been instrumental in the development of a global strategy for follow-up of Millennium Ecosystem Assessment (MA) with UNEP as the global coordinator, with support from all the key international players (UNDP, FAO etc.). There has been close collaboration and policy dialogue through the Ministry of the Environment and the Ministry for Foreign Affairs. Special funds have been earmarked for catalytic activity. The initiative is of great strategic significance and an important tool in the continued integration of environmental issues into the development agenda in Sida's partner countries.

Sida has channelled support through SwedBio for the participation of local indigenous populations in processes concerned for instance with the Convention on Biological Diversity, the FAO's plant genetics treaty and the UN's patent body, WIPO. This has contributed to a clearer focus on the roles and rights of these groups in technical issues relating for instance to genetic resources, protected sites etc. in both national and international forums.

Trade and finance

In 2007 around SEK 170 million out of the total aid for trade of SEK 275 million was channelled through global programmes, and Sida is prioritising contributions aimed at increasing trade-policy capacity in developing countries and consequently improving the countries' prospects of taking part in world trade, particularly in the WTO negotiations, on the basis of the guidelines that exist for the area.

Many developing countries are affected by and need to build capacity for implementation of the SPS (Sanitary and Phytosanitary Measures) agreement in the World Trade Organisation (WTO), which deals with rules for safe handling of foods. The Codex Alimentarius Commission (CAC) is working on standards for foods. Sida is supporting a fund to bring developing countries into the Codex work. A study financed by Sida shows that by 2007, after three years, the fund has achieved several positive results and contributed to increased presence and to some extent active participation of developing countries in the CAC. The study notes at the same time that there is a need for a mechanism that works smoothly to evaluate the results and impact achieved by the fund in the recipient countries. The difficult economic situation facing the fund is a significant factor in the deficiencies reported. Sida has consequently decided on SEK 3 million of additional support for 2007, which is to be used largely to increase the capacity of the secretariat for example for follow-up.

In response to the major evaluation of the support provided by Sida to the International Trade Centre (ITC), the ITC has presented proposals for improvements and regional strategies for 2008–2009. The ITC provides support for the development of national export organisations and for efforts to increase the competitiveness and export capacity of small and medium-sized enterprises. In Sida's view the ITC is a skilled and unique organisation focused on practical support for companies in developing countries. Sida con-

siders that support from the ITC will be of great significance to companies in developing countries when trade negotiations (multilateral and regional) currently in progress have to be implemented. Integrated Framework (IF) is a multilateral cooperation between international organisations, donors and least developed countries (LDCs). The objective of IF is to strengthen the trade capacity of LDCs, and Sida therefore judges that IF fulfils an important function. However, the reporting of results from IF activities has been deficient. Sida and others have pursued the issue of an improved framework for follow-up and evaluation in the broader process of strengthening IF as Enhanced IF, which is expected to be launched in 2008. Sida judges, however, that IF plays a key role in Swedish trade-related development cooperation. Sweden is one of the larger donors to the IF Trust Fund. Sida contributed SEK 45 million in 2006 and decided on a further SEK 45 million in 2007.

The global programmes make up a small but strategic part of Sida's combined support for financial market development. The global programmes enable Sida to influence international policy processes and contribute to an increased consensus and coordination among donors in this area. An example is the Consultative Group to Assist the Poor (CGAP), which develops guidelines for microfinance. At present, Sida provides SEK 3 million annually for the core operation, leads and supports the working group for housing finance to the tune of SEK 5 million (2006–2009) and takes part in the microinsurance working group. An evaluation shows that a clear majority of CGAP stakeholders consider the work of the organisation to play a large part in the global success of microfinance. The stakeholders also back CGAP's change of focus from microfinance to the development of financial systems that favour poor women and men. Sida's view is that CGAP is making an effective contribution to the development of financial systems that include the poor and is in line with Sida's financial sector policy and guidelines on microfinance.

Infrastructure

In the area of Infrastructure, Sida provide support within the global programme initiative in transport and road safety, energy, urban development and ICT (Information and Communication Technology).

Transport and Road Safety

In the area of transport, priority has been given to road safety for support with global funds. Road traffic accidents are among the most common causes of death in the 5–29 age groups globally, coming second behind HIV/AIDS. 80 per cent of all deaths occur in low and medium-income countries. Despite this, road safety is a relatively underfunded area among international donors, and for this reason, on the basis of experience in Swedish road safety efforts, Sida supports international forums where developing and developed countries meet to draw up guidelines and methods directly related to the situation in developing countries.

Sida is the largest bilateral donor to the Global Road Safety Partnership (GRSP) and Sida's grant to the GRSP was SEK 3 million in 2007. Sida is contributing SEK 6 million of funding earmarked for work on road safety over the period 2005–2008. This includes the secondment in 2007 of a Swedish road safety expert to WHO, which has led to guidelines for speed reduction having been developed and advisory capacity for WHO's regional and national offices having increased.

The 4th African Road Safety Conference which was held in Ghana in February 2007 and was arranged by the GRSP and WHO was a milestone in road safety in Africa and resulted in clear goals for work on road safety for the countries of Africa, linked to the millennium development goals.

Energy

The international organisations supported by Sida are developing best practice and policies in the area and promoting private investment in close collaboration with the partner countries. An example is the global network Energia, which is working in particular to highlight and raise the involvement of developing countries in the gender aspects of the energy issue. Sida has supported Energia since 1999, and in 2007 decided to provide further support amounting to SEK 15 million for four years, accounting for around half of the total funding of Energia. A sum of SEK 1.3 million was disbursed in 2007. Energia attended the meeting of the Commission on Sustainable Development at the United Nations in New York in 2006 and 2007. Energia held two or three side events alongside the commission meeting in each of the two years, which had a great impact on the chairman's final text in which the significance of gender issues in energy and sustainable development is emphasised. Sida's view is that Energia's contribution was a very significant factor in achieving a breakthrough for gender aspects in the future plans of the various countries for energy, but also in work on climate change.

Urban development

Around one billion people today live in urban slums. Most of Sida's support goes to international organisations (UN-HABITAT, Cities Alliance, and a number of NGOs) that work on slum upgrading, including local infrastructure and services, housing, safety and security, land and rights issues, areas that are of key importance in improving living conditions for people in slums. The living conditions of between two and three million people in India were directly improved over the period 2002–2007 by the Community Led Infrastructure Financing Facility (CLIFF), which Sida supported to the tune of SEK 6 million in 2007.

In the framework of the special environmental initiative, Sida, the Swedish Environmental Technology Council (SWENTEC) and the Swedish Government Office's Project Export Secretariat (PES) have jointly drawn up a special programme for environmental technology contributions. June 2007 saw the launch of DemoMiljö, in which Sida contributes funding for preliminary studies and demon-

strations in environmental technology for sustainable urban development, such as water and sewage treatment, waste, district heating and urban transport. This instrument is aimed at Swedish companies and organisations and their partners, for example institutions, municipalities, organisations and enterprises in partner countries. The first round of applications in September 2007 produced a very strong response, relatively evenly distributed in global terms. A total of 102 applications for a sum of SEK 60 million were received. The cost of the contribution to Sida in 2007 was SEK 34 million. Contributions for which funding has been approved are expected to begin in 2008.

Employment and the labour market

Most of the global funds in the area of employment relate to cooperation with the ILO, firstly in the form of programme support and secondly through support for the Youth Employment Network. The Sida-developed analytical tool "Integrated Economic Analysis for Poverty Reduction" (IEA), which was developed in 2006, indicates that employment represents the most important link between economic growth and poverty reduction. This tool is now being disseminated within the framework of OECD-DAC's network for poverty reduction, POVNET.

The three-year support for the Youth Employment Network (YEN) which began in 2006 is reported to have resulted in the implementation of national action plans for youth employment in 19 lead countries having been strengthened and a unit for youth employment and regional security in West Africa having been established. The cost to Sida in 2007 totalled SEK 7 million.

Between 2005 and 2007 Sida supported the organisation Women in Informal Economy, Globalising, Organising (WIEGO) to the tune of SEK 4 million. According to the final report on this phase, the contribution has resulted in increased support for organisations for people employed in the informal sector, with special focus on women, and in problems relating to informal employment having been highlighted in research and international forums.

International training programmes (ITP)

Sida's analysis of the international training programmes (ITP) shows that ITP is a powerful instrument for capacity development based on the outcome of work on change to the concept initiated in 2005.

Long-term goals are now being formulated in Sida's international training programmes at organisation level, and the programmes are focused on assisting the participants in pursuing processes of change in their home organisations/countries.

Eleven new training contributions with this orientation were started in 2007. One contribution generally comprises five training programmes in the same number of years. The contributions are implemented on Sida's behalf by Swedish government agencies, universities and colleges, enterprises and NGOs through competitive procurement. The participants are nominated by their organisations in

their home countries. The intention is that the participants selected should be in a position that gives them a mandate to initiate and/or push through processes of change.

The ITP programmes are financed partly via Global Development Programmes and partly via the regional appropriation items. Around 100 programmes were implemented in 2007, of which 69 were financed via the appropriation item of global development programmes. The disbursements on these totalled just over SEK 220 million in 2007. Training programmes are arranged in all the subject areas in which Sida is active, and are in principal based on the main features of Sweden's Global Development Policy.

Sida's view is that, in order to improve goal fulfilment, having two or more participants from the same organisations accepted for each individual programme session boosts the impact of processes of change supported by the training programmes. It is also judged that increased impact is achieved by inviting fewer countries to each programme throughout the contribution period. During the year Sida also introduced a new model for follow-up where programme organisers conduct a more results-oriented analysis of goal fulfilment in an annual report.

Resource base programme

Sida pursues strategies for both a short-term and long-term increase in the number of qualified Swedes in international and regional organisations. Sida's resource base programme is aimed at expanding, training and developing a Swedish future resource base for international development cooperation. Several of Sweden's now senior officials in the United Nations system have previously served as Junior Professional Officer (JPO). Sida judges that the resource base programmes are an effective way of increasing the number of Swedes in the UN system and in other prioritised international and national organisations.

Eighty people held JPO positions during the year. Most of the 31 new recruits in 2007 went to the World Bank and the World Food Programme. Of the 29 Swedish JPOs who completed their period of service during the year, 13 obtained further assignments at the UN. Many of these were actively supported by Sida in submitting their applications.

Forty-nine people held positions as Bilateral Associate Experts (BBEs) during the year. Of the 17 BBEs who completed their period service, 11 are continuing to work in development cooperation.

To broaden the BBE programme, Sida has launched a work placement programme together with Swedfund International AB, initially with five work placement positions. Recruitment began in 2007, and the new BBEs are expected to be posted during the spring of 2008. The purpose of the programme is to create sustainable relationships outside the long-term development cooperation between Swedish enterprises, organisations, institutions and actors in low and middle-income countries.

Sida has initiated efforts to develop the target scenarios of the resource base programmes to respond to the three

priorities stated in the budget bill: democracy and human rights, environment and climate and gender equality and the role of women in development.

Sida has 42 targeted secondments currently in progress at expert level to prioritised international organisations, in addition to which a further 14 secondments are currently the subject of recruitment/negotiation. These secondments are linked to strategies established by the Swedish Government and Sida with the aim of creating the necessary basis for changes in international organisations in a direction that complies with the aims of Swedish development cooperation policy.

Recruitment missions are used strategically to increase the number of Swedes in the UN system in the long term. UNDP carried out a recruitment mission in Sweden during the year. Final evaluation of the mission will not take place until December 2008, but to date the number of Swedes in UNDP has increased by seven posts.

ANALYSIS OF OUTCOME

The outcome of the global portfolio of contributions was around SEK 1.9 billion, which represented around 12 per cent of Sida's total outcome.

Sida worked to bring about an increased number of international courses during the year. In line with this heightened level of aspiration, international courses as a form of development cooperation increased by 20 per cent. As a consequence of the financial conditions in the letter of appropriation to increase contributions in the environmental area and increase support to politically driven organisations, as well as Sida's prioritisation of the area of democracy and human rights, these sectors have increased. The level in the education sector signifies a return to a previous level. The higher outcome in 2006 was due to a major one-off payment which had been deferred from 2005.

When it comes to the implementation channels, Swedish and international organisations increased during the year due to financial conditions in the letter of appropriation. Multilateral organisations continue to represent the largest channel, accounting for 43 per cent.

The administrative expenses in relation to global portfolio contributions vary from one main sector to another. In general, however, the global portfolio has lower administrative expenses than the average for Sida. This is due firstly to the operational area partly consisting of a number of more extensive forms of organisational support to multilateral and international organisations and secondly to it being managed from Stockholm.

The administrative expenses for the sector "others/miscellaneous" is high in relation to the volume of outcome. The reason is that this volume consists to 50 per cent of resource base contributions. The administration of these contributions primarily comprises recruitment and administration for the JPO and BBE programmes, which necessitate relatively personnel-intensive management.

Table 11.

Global development programmes, expenditure in SEK '000

Type of support	2005	2006	2007	Administrative expenses 2007
Project support	897 758	1 318 113	1 299 261	
Technical assistance, incl. contract-financed technical cooperation	171 083	152 762	145 539	
International training programmes	148 927	194 769	233 971	
Credits	50 149	100 100	36 888	
Guarantees	588	0	0	
Programme support	92 260	47 041	0	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	92 260	47 041	0	
Humanitarian assistance	0	0	0	
Research	18 235	24 077	30 286	
Grants to NGOs	84 442	61 382	163 481	
Total costs	1 463 442	1 898 243	1 909 427	
Channels				
Multilateral organisations	566 575	885 764	811 852	
Swedish organisations	483 074	617 166	703 188	
Organisations in partner countries	146 018	58 192	43 143	
Organisations in other countries	55 454	90 870	84 231	
International NGOs	212 321	246 252	267 013	
Total costs	1 463 442	1 898 243	1 909 427	
Main sectors				
Health	403 917	379 341	401 805	5 520
Education	76 501	226 241	88 040	5 320
Research	7 002	33 342	30 618	0
Democratic governance and human rights	222 749	259 784	293 150	11 471
Conflict, peace and security	1 669	957	1 735	656
Humanitarian assistance	0	0	0	0
Infrastructure	89 691	189 740	176 866	5 715
Trade, industry and financial systems	144 630	172 611	231 087	11 804
Natural resources and environment	290 300	383 774	436 356	20 517
Budget support for poverty reduction	0	0	0	0
Other sectors	226 984	252 451	249 771	21 639
Total costs	1 463 442	1 898 243	1 909 427	82 641
Number of valid contributions	817	832	769	
<i>of which > SEK 15 million</i>	15	21	25	
<i>number of new contributions</i>	278	292	229	

Total expenditure for the operational area includes outcome for staff financed under the development cooperation appropriation. For total expenditure excluding this, see Annex 3.

Research

Sida will help to strengthen research capacity in developing countries, and will strengthen research relevant to poverty reduction and fair and sustainable global development.

Sida will also help to strengthen research in Sweden relevant to development.

ASSESSMENT OF OPERATIONAL RESULTS

Research cooperation in 2007 was characterised by Sida following up recommendations from the 2006 review of the Research operational area. The review showed that work to improve conditions for research in the partner countries had brought effects at regional, national and institutional level in Africa and at institutional level for bilateral cooperation in Asia and Latin America. However, the work to promote donor coordination has had little impact as yet. Sida has noted an increasing interest in the role of research in development, but the organisation's institution-oriented support has attracted little attention, so far. The review recommended a reassessment of thematic focus, and this led to special studies confirming the relevance of selected research areas to the objective of international development cooperation, but also indicating a need for greater focus. The work has led to a proposal to focus thematic research programmes by sector and in Sida's Development Research Council. The scope of, and balance between, capacity-oriented support and thematic research projects remains unchanged (each comprising approximately 40 percent of total disbursed funds) through the extra efforts to promote research into infectious diseases. According to government guidelines, funds have primarily gone to Swedish research.

The following section describes the action taken to increase goal fulfilment in accordance with the review's recommendations for capacity-oriented bilateral projects, for regional and international knowledge-oriented research cooperation, and for support to Swedish development research.

The structure for reporting below is based on the review, Sida Evaluation 06/41.

Long-term effects of capacity building research cooperation

The long term effects of research cooperation has been examined in an evaluation of support to research in Sri Lanka and Vietnam, where Sida started to phase out

activities as early as 2006. These are the first countries with which SAREC (as Sida was then called) started bilateral research cooperation. Thirty consecutive years of support comprise a valuable foundation on which to assess long-term results and effects of the Swedish support. The first 15 years were focused on project-based cooperation, particularly in Vietnam, including a "Window to the World". The past 15 years have focused on the development of institutional conditions for research, and institutional capacity to manage and coordinate resources for research.

Dialogue with the evaluating team has revealed that Swedish support in both countries has developed strategic competence at the research institutions involved, in accordance with the overall objective of Sida's research cooperation. Examples are an improved ability to independently plan and conduct research relevant to the country, manage research funds, recruit talented young research students, and shoulder the role as coordinator of national research. The evaluating team considers that long-term contacts with internationally acclaimed Swedish researchers and their networks have been crucial, and that the relevant institutions in their countries will be perceived as role models in terms of qualitatively good research.

The evaluations of Sida's research cooperation in countries with considerably weaker research environments are also predominantly positive. In Ethiopia, where cooperation has been long term, the relevant evaluation's assessment is that Addis Ababa University has the capacity to run its own postgraduate programmes. It can switch from doctoral studies run in cooperation in accordance with the so-called sandwich model (with Swedish main supervisor) to domestic main supervision and examination. Domestic postgraduate programmes help women participate in research and is part of the strategy to improve the gender balance at the university.

Choice of Swedish cooperation partners has generally been based on contacts the cooperation partner in the partner country has established thanks to Sida support. In

2007, a model was tested whereby requests for Swedish supervision were published. This proved very laborious and conflicts with the customary method in the research world where supervision agreements are based on contacts.

Dissemination and use of research findings

In 2007, research cooperation with Nicaragua was SEK 27 million. Sida's support to building up an IT infrastructure at the four state universities improved considerably Nicaraguan researchers' access to research publications and communication with other researchers. The speed of throughflow of postgraduate students has increased, and the time taken to receive a doctorate has decreased by two to three years. The improved capacity to disseminate research findings locally has had a positive effect on the view of universities' role in society.

Other methods have also been employed to promote dissemination and application of research findings. Sida's projects in East Africa, which were started in 2003 to improve the link between researchers and entrepreneurs in clusters, have led to the formation of around 40 such clusters, which are based on research findings in the engineering sciences, chemistry, biology, marine biology and archaeology. The cooperation between Sida and VINNOVA, aimed at developing clusters in Uganda and Tanzania, has been valuable in this. Another important channel for dissemination of research findings is through students, who receive the new knowledge through the link between education and research at the universities that Sida supports.

In 2006–2007, researchers and doctorate students in the bilateral research cooperation were successful in producing doctorate theses and research articles in national and international publications.

Donor coordination and bilateral research cooperation

The above observations confirm the findings in the review of the Research operational area in 2006. Sida's bilateral research cooperation is aimed at strengthening the institutional base for research. The cooperation was considered to have a constructive approach that made positive contributions to ownership and capacity for research administration, thereby helping partner countries run their own research subjects and coordinate external grants and cooperation. In response to the review recommendations, Sida has assumed responsibility for donor coordination and has developed suitable mechanisms to improve development cooperation efficiency in research cooperation in the spirit of the Paris Agenda.

Donor coordination has enjoyed particularly favourable conditions in Tanzania, where Sida has a research secretary stationed. Research cooperation in Tanzania in 2007 was approximately SEK 50 million. In May 2007, in Dar es Salaam, a high-level consultative meeting was held. A number of donors participated and discussed strategies for developing research. One result was that the president asked the UN Organisation for Education, Science and Culture (UNESCO) for support to develop a research strategy,

and another was that the leading university in Dar es Salaam (UDSM) allocated 6.4 percent of its budget to research. Reports from meetings at Sida in June 2007 and Sida Research Council's visit to Tanzania in September 2007 illustrated the powerful effects of Sida's research cooperation on policy work, both nationally and at university level.

However, a number of projects aimed at donors to promote coordination at country level have had little effect. Few donors have developed mechanisms for bilateral support to research. The research that is supported is mainly aimed at the development of knowledge, and goes either to international and regional research programmes or to projects that are proposed and managed by the country's own researchers. Even if this can include research cooperation, this usually occurs at individual level and less frequently after negotiation with each institution and in harmony with its strategies. However, the increasing interest in research as an important tool for development has led to a number of visits, invitations and enquiries about Sida's method of working, including being invited to speak at the round table meeting of research ministers during UNESCO's general assembly. With improving research environments in the partner countries, it is reasonable to expect that bilateral research cooperation will also make an impact with other financiers.

Donor coordination – regional architecture for research

Coordination of support to regional research programmes has been strengthened through the New Partnership for Africa's Development (NEPAD) and the African Science and Technology Consolidated Plan of Action (FOU), which also offers a framework at regional level for external research support. Sida has helped to develop the research programme into a regional research council, and can be part of the regional architecture for research that NEPAD wants to see coordinated. Current evaluations highlight some examples:

Forestry research in the African Forestry Research Network, (AFORNET), where Sida is sole donor and contributed SEK 5 million in 2007, is considered to have helped create a critical mass and break down the isolation amongst African researchers. Research into forests and forest-related natural resources is a relatively new research field in Africa. Today, AFORNET provides a scholarship programme and a research council structure with a greater element of competition. Since 1991, approximately 200 articles have been published, of which about half in scientific publications. Furthermore, approximately 150 MSc and PhD qualifications have been awarded. In order to increase the international availability of primary data to African scientific publications, the African Association of Sciences (AAS) has launched its own publication, *Discovery and Innovations*.

Successful Nordic donor coordination is shown by measures such as the common evaluation of the Sida-supported social science network, Council for the Development of Social Science Research in Africa (CODESRIA).

In 2007, Sida contributed SEK 19 million, which is approximately 40 percent of the CODESRIA budget. Evaluation of CODESRIA shows that the organisation conducts extensive research in central development areas and that its publications are of good or high academic standard. With almost 500 active researchers in its network, and tens of published books and researched reports each year, CODESRIA is a central actor in social sciences research in Africa. However, the evaluating team points out that CODESRIA must improve its work of disseminating the research in order to exert greater influence on policy. Communication with members, and management of the extensive publication activities, are other areas that need to be improved. CODESRIA has been trying to promote gender research for several years. However, gender researchers present at a Sida-funded conference in Dakar in June 2007 were of the opinion that gender aspects were neglected in other parts of the organisation's research activities, and called for specific measures alongside mainstream activities.

International research links to users

Sida's assessment is that all the international research organisations that Sida supports have good mechanisms for donor coordination and for delivering common annual reports. They are often responsible for providing an overview and synthesising international research in each area. Furthermore, they focus on cooperation with researchers in low-income countries, gender equality and dissemination of research findings in the academic world and towards decision-makers; these are issues that Sida has pressed. Several organisations are linked to specialist UN bodies, and provide up-to-date knowledge for their advisory and normative work. The following examples illustrate the organisations' focus on translating research findings into tangible recommendations for action:

In conjunction with its 30th anniversary in 2007, the World Health Organization (WHO) reproductive health programme (HRP) showed pioneering contributions to the development of efficient and safe contraceptives. Its global research network has allowed the organisation to build up a side effects register that also includes low-income countries with weak health systems. In 2007, Sida contributed SEK 55 million to WHO research. Of this, SEK 14 million was to HRP, which is ten percent of the total budget for the programme.

The WHO programme for research into health systems recently presented an overview that shows that developing countries make little use of empirical evidence when developing policies for health. Shortage of capacity for domestic research and analysis inhibit the possibilities to receive, evaluate and adapt policy-relevant knowledge about health systems and new methods for diagnosis and treatment.

In this context, the importance of the International Vaccine Institute in Korea (IVI) can be understood. Sida contributed SEK 6 million to IVI in 2007. IVI research produces documentation on which to base decisions on introduction of, and policies relating to, the use of new vaccines

against, for example, cholera, typhoid and shigella. IVI also helps to strengthen regulatory frameworks around vaccine issues and to build capacity for local vaccine production. The evaluation that Sida ordered in 2007 concludes that IVI's role is unique and comprises an outstanding complement to other activities and international initiatives in the area.

Donor coordination in relation to the consultative group for international agricultural research (CGIAR) is well known, and results include common evaluations and common reporting of the cooperating institutes' results. The European Initiative for Agricultural Research for Development (EIARD) has a coordinating role for European donors. This coordination has resulted in common European positions on all important issues that concern CGIAR. Of special importance in the past year is EIARD's influence on the process of change taking place within CGIAR, and that it is working to increase the influence of the South.

Swedish research into infectious diseases

Sida's support to Swedish research has increased considerably in 2007 through the extra allocation of funds to, primarily, Swedish research into infectious diseases. Approximately SEK 30 million has gone to research concerning HIV/AIDS, and SEK 25 million to co-financing of Swedish projects funded via the European appropriation for clinical trials of vaccines and pharmaceuticals (EDCTP). In addition, approximately SEK 20 million of funds from the Sida Development Research Council was allocated to research into infectious diseases. However, a current review points out the risk of fragmenting current project support, so Sida's Research Council has decided to redesign the programme to improve effects of the support.

Sida's Council for Development Research received 467 proposals in this year's round of applications, and 99 (21 percent) were granted appropriations for 2008. The number of applicants has decreased compared with 2006, mainly because the special doctorate support has been withdrawn. Results indicators in the Council's assessment process include number of applicants, number of granted appropriations, total appropriation amount, and number of publications and doctorate theses. In 2007 a total of approximately SEK 134 million was disbursed to a total of 262 projects.

ANALYSIS OF OUTCOME

The outcome in 2007 for the Research operational area was SEK 978 million, which is just over 6 percent of Sida's total outcome. In 2007, 99 percent of allocated funds were used for research cooperation, which is an increase in relation to previous years. The direct grants to universities and institutions in partner countries still fail to reach agreed amounts. Sida's efforts to strengthen systems for management and administration have led to more disbursements, but have yet to reach full effect. The total outcome in 2007 has increased by 5 percent compared with the previous year.

The proportion of funds to Swedish university institutions continues to be high, partly because of the special focus on Swedish research into infectious diseases. This funding is also channelled through international organisations.

In the bilateral support, most of the outcome went to Africa, while the outcome to Asia and Latin America decreased slightly. As in the past three years, most support went to Tanzania. Support to Ethiopia returned to the agreed level after the cutback in 2006 pending measures in response to critical audits. The current audit in Uganda is responsible for restrictions on outcome in 2007.

The major reduction in the number of projects is partly a result of quality assurance work where older projects are concluded. Greater concentration has caused a certain reduction of active projects.

In accordance with Sida's ambitions, bilateral and capacity-oriented projects increased, a trend that is expected to continue. However, the special efforts relating to Swedish research into infectious diseases could not be accommodated in the framework that Sida allocated to Swedish research. Instead it has led to an unplanned increase in disbursements to Swedish organisations.

The cost of bilateral cooperation is above average for research cooperation, while the assessment of support to thematic research is, as a rule, less labour intensive. The unusually high costs for Bolivia in 2007 are a result of overlapping personnel, at the same time as a new planning was being carried out. The cost of managing research cooperation with Tanzania is higher than that shown because the research secretary sent from Sweden is reported in the Africa operational area.

Table 12.

Research, expenditure in SEK '000

The main partner countries 2007	2005	2006	2007	Administrative expenses 2007
Tanzania	49 795	46 881	50 007	1 549
Ethiopia	34 772	15 352	33 559	2 473
Mozambique	6 592	21 683	32 144	2 043
Bolivia	15 965	26 761	29 497	2 796
Uganda	39 444	46 230	28 524	2 086
Other countries/regions	700 212	770 992	804 764	40 653
Total	846 780	927 899	978 497	51 601
Type of support				
Project support	495	0	0	
Technical assistance, incl. contract-financed technical cooperation	0	0	0	
International training programmes	0	0	0	
Credits	0	0	0	
Guarantees	0	0	0	
Programme support	0	0	0	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	0	0	0	
Humanitarian assistance	0	0	0	
Research	846 285	927 899	978 497	
Grants to NGOs	0	0	0	
Total costs	846 780	927 899	978 497	
Channels				
Multilateral organisations	79 627	97 119	85 044	
Swedish organisations	307 467	318 833	330 946	
Organisations in partner countries	178 286	198 747	246 660	
Organisations in other countries	113 814	121 841	123 408	
International NGOs	167 586	191 359	192 439	
Total costs	846 780	927 899	978 497	
Main sectors				
Health	-275	0	0	0
Education	0	0	0	0
Research	843 656	926 107	977 889	51 601
Democratic governance and human rights	0	0	0	0
Conflict, peace and security	0	0	0	0
Humanitarian assistance	0	0	0	0
Infrastructure	0	0	0	0
Trade, industry and financial systems	0	0	0	0
Natural resources and environment	0	0	0	0
Budget support for poverty reduction	0	0	0	0
Other sectors	3 399	1 793	608	0
Total costs	846 780	927 899	978 497	51 601
Number of valid contributions				
<i>of which > SEK 15 million</i>	12	18	19	
<i>number of new contributions</i>	43	37	44	

Negative amounts relate to repayments.

Humanitarian assistance and conflict-related activities

Sida will contribute to saving lives, mitigating suffering and maintaining the human dignity of people in distress who have been exposed to, or are under threat of being exposed to, armed conflicts, natural disasters and other disaster-like situations. To attain this goal, Sida's activities will be governed by the government communication Government Policy on Humanitarian Assistance (Government Communication 2004/05:52) and by the Government guidelines for Sida's work on humanitarian assistance, 16.12.2004 (UD2004/60685/GS).

Sida will safeguard human security in connection with humanitarian crises in countries affected by conflict. In doing so, Sida will support conflict-preventing and conflict-related initiatives, such as humanitarian mine clearance, restriction of the proliferation of light weapons and local dialogue processes. These contributions will complement long-term development cooperation and may also be implemented in areas where armed conflicts are in progress or have recently ended. A gender perspective and a rights perspective will be taken into account in the contributions, with the aim of strengthening the roles and participation of women and their enjoyment of rights and protection. Sida's activities will additionally take account of Sweden's national action plan to implement UN Security Council Resolution 1325 (2000) on women, peace and security (14.06.2006).

ASSESSMENT OF OPERATIONAL RESULTS

Humanitarian assistance

Humanitarian assistance is aimed at saving lives and mitigating distress and is not related to long-term development. Humanitarian assistance is carried out during or in the immediate aftermath of natural disasters, conflicts or other disasters. This humanitarian support is needs-based, and humanitarian organisations have to be neutral and impartial. Contributions at the transition to long-term development cooperation and support for the prevention of natural disasters and their harmful effects are to be financed principally from development cooperation, but to a limited extent can also be financed from the humanitarian appropriation.

The number of natural disasters has trebled in the last 30 years. There is strong evidence to suggest that climate change is contributing to more extreme weather, which means an increased number of, and more violent, natural events. The United Nations launched 15 flash appeals for humanitarian assistance following natural disasters in 2007, of which 14 were climate-related, compared with five flash appeals launched in 2006.

The principles of Good Humanitarian Donorship (GHD) are central to the government guidelines on humanitarian assistance. These principles prioritise promoting coordination between humanitarian actors, national authorities and other humanitarian organisations and improving the harmonisation between donors and donor countries. Coordination has to be done without compromising the impartial and independent nature of humanitarian activities. Sweden is one of the countries that have taken the initiative for GHD and endeavours to influence other donors to follow these principles. A selection of operations showing how Sida's support is formulated and how it contributes to general goal fulfilment is presented below. The operations described have been selected to provide a broad picture of Sida's humanitarian assistance in 2007.

To facilitate coordination between donors and make rapid adaptation to changed circumstances in the field possible, Sida has given non-earmarked support to the UN-administered humanitarian funds in Sudan (SEK 135 million) and DR Congo (SEK 100 million). In both countries Sida personnel are members of the advisory groups for the funds. Sida is distinguished by being the donor that

decides on support for the UN's humanitarian appeals earliest in the year. 31.7 per cent of the humanitarian appropriation was disbursed by 30 April.

During the year Sida focused in particular on disasters that had attracted little attention in the media and were generally underfunded, such as Burmese refugees in Thailand, internal refugees in Colombia and refugees from Western Sahara in Algeria. SEK 82.6 million, four per cent of Sida's support for the UN's consolidated humanitarian appeals, was spent on what are referred to as forgotten crises.

Sida makes active efforts to strengthen the humanitarian system, make the work transparent and amenable to follow-up and improve its effectiveness in order to strengthen Sweden's role as a leading humanitarian donor. This work includes support for research, evaluation and anti-corruption efforts. In addition, Sida endeavours to second high-level Swedish personnel to strategic posts in the international humanitarian system. During the year, Sida decided on two humanitarian secondments to the United Nations Food and Agriculture Organisation (FAO) in Johannesburg and Nairobi. In 2007 Sida decided on a new three-year support package of SEK 3 million for Humanitarian Accountability Partnership—International (HAP-I). HAP-I aims to increase the taking of responsibility towards the target group, for example by drawing up guidelines for the target group's participation in the project, providing information on what support they are entitled to and developing systems so that the target group can present its criticisms if the support is not provided in the right way. To reinforce humanitarian expertise among Swedish and international humanitarian actors Sida decided during the year on three-year support for work on international humanitarian rights (IHR) undertaken by the Programme on Humanitarian Policy and Conflict Research at Harvard University (HPCR). The aim is to develop IHR and promote its application. Sida is on the programme's steering group together with the Swiss Ministry of Foreign Affairs, the United Nations and Harvard.

Sida has also arranged six courses in the Advance Training Programme on Humanitarian Action (ATHA) at its course centre in Härnösand and has strengthened the focus on these issues by allocating one more post to ATHA. Three seminars were held on current humanitarian issues in 2007, the Tsunami Evaluation, Corruption in Humanitarian Assistance and Civil-Military Collaboration.

Swedish and international speakers were invited and Swedish humanitarian actors and Sida staff took part. The aim of the seminars was to support learning between humanitarian actors, both donors and implementing organisations. During the year Sida disbursed a total of SEK 101 million, around 5 per cent of the humanitarian appropriation, to eight Swedish NGOs for smaller humanitarian assistance efforts. The purpose of these agreements is to improve the prospects of saving lives and mitigating distress at an early stage in a humanitarian crisis by being able to launch a time-limited operation quickly.

Results of project activities

It is the poorest people in the poorest parts of the world who are hit disproportionately hard by the effects of natural disasters, and disaster prevention is therefore central to Sida's work. Sida's strategy to reduce risk and people's exposure to natural disasters was adopted at the end of 2006. It is laid down in this strategy that Sida is to endeavour to contribute towards reducing the risk of natural events that can be influenced by humans arise and reducing people's exposure to the effects of natural events. In accordance with this strategy, Sida has begun integrating a disaster prevention perspective into cooperation strategies. An example of this is that Sida is supporting the World Bank's Global Facility for Disaster Reduction and Recovery (GFDRR) to the tune of SEK 48 million over the period 2007–2009. The GFDRR was initiated in 2006, with the aim of building national capacity for the prevention of natural disasters, principally by supporting the integration of disaster prevention into the poverty strategies of high-risk countries. World Bank efforts to strengthen preparedness in Mozambique resulted in the Mozambique government building up its expertise and being able to coordinate rescue operations for itself when flooding occurred in February. The number affected and killed by the floods was significantly lower than in similar floods in previous years. As part of the work on the GFDRR, Sida organised a major conference on the prevention of natural disasters together with the World Bank and International Strategy for Disaster Reduction (ISDR). More than 200 experts and researchers from governments, organisations and civil society agreed on the importance of integrating disaster prevention work into national development strategies. One of the main items on the agenda was discussion and panel debate on the link between climate change and the incidence of disasters. The conference resulted in the "Stockholm Forum Action Plan", which outlines how donor countries and partner countries should proceed in order to reduce the vulnerability of communities. In 2007 Sida provided SEK 40 million in support for the work of the Norwegian Refugee Council in Africa. This programme support has been focused firstly on supporting the organisation's training programmes targeted at children and adolescents who had not had the opportunity of regular education due to forced migration and secondly on promoting and protecting the human rights of internal refugees. A large number of children and adolescents have gained access to education and vocational training and teachers have received further training. For example, 1,200 returning internal refugees received education in the Democratic Republic of Congo (DRC) during the first half of 2007.

In Burundi 3,467 returning internal refugees were re-integrated into the formal education system over the same period. Returning internal refugees and the local population have received expert legal advice on relevant rights issues from mobile teams consisting of lawyers, doctors, psychologists and social workers. Since 2003 Sida

Table 13. Disaster prevention and preparedness, for emergency assistance, support for refugees and method development and evaluation, expenditure in SEK '000

	2005	2006	2007
Disaster prevention and preparedness (total)	19 028	39 328	25 420
Emergency assistance (total)	1 472 808	1 649 561	1 845 819
Of which support for refugees	145 032	152 158	348 738
of which method development and evaluation	3 058	895	13 814
Total	1 636 868	1 841 047	1 871 240

Table 14. Conflict-related activities, purpose and principal contents, expenditure in SEK '000

	2005	2006	2007
Support for civil peace-keeping, conflict prevention and conflict resolution	63 476	85 132	96 153
Mine clearance for development purposes	49 423	30 506	42 680
Prevention of recruitment of child soldiers and support for demobilising, disarming and rehabilitating child soldiers	18 368	0*	0*
Support for the UN's peace-building programmes	4 049	9 544	47 525
Rehabilitation of demobilised military personnel and reduction in the proliferation of small arms and light weapons	4 272	10 250	6 000
Reform of the security sector to improve democratic governance and civil control	478	0**	337**
Total	140 066	135 432	192 695

* Contributions for these purposes are included in the UN humanitarian appeals and have been coded under other sectors in conflict-related activities.

** Contributions for these purposes are financed under the regional operational areas.

has supported an initiative through the United Nations Children's Fund (UNICEF) for the demobilisation and reintegration of child soldiers in Colombia. The outcome over the last three-year period has been SEK 14 million, of which SEK 6 million relates to 2007. The project also includes measures to prevent recruitment of adolescents into armed groups. Altogether 655 demobilised adolescents and around 23,000 adolescents in what are referred to as high-risk areas for recruitment received support through the UNICEF initiative over the period 2003–2006.

Annual evaluations are made to assure the quality of the humanitarian assistance and humanitarian actors supported by Sida. In 2007 Sida chose to evaluate the humanitarian efforts of Practical Solidarity (ps) for the 158,000 Western Saharan refugees in Algeria. Sida contributed SEK 2.6 million to ps activities in 2007. PS has assisted refugees, mainly with second-hand clothes and to some extent also with food, with funding from Sida since 1978. The evaluation finds that the efforts of ps meet a humanitarian need but that the clothing support should be better suited to the refugees' wishes. ps has followed the recommendations and has initiated cooperation with the Red Cross.

The Common Humanitarian Fund in Sudan has been evaluated. The evaluation notes that the fund is a valuable instrument for coordinated and flexible financing of prioritised humanitarian needs. The evaluation further notes that the coordination among humanitarian actors has been

substantially improved and that strategic humanitarian needs have received funding to a greater extent. Despite improvements certain deficiencies do, however, remain with regard to follow-up and reporting of outcome for the resources channelled through the funds. The allocation is considered still to favour UN organisations at the expense of NGOs.

An annual grant of SEK 370 million was made to the International Committee of the Red Cross (ICRC) in 2007, of which SEK 30 million was channelled through the Swedish Red Cross. This is an increase of SEK 40 million compared with 2006. The ICRC has a special mandate to promote humanitarian rights and assists with protective missions for people affected by conflict while providing humanitarian support both in the form of food, urgently needed provisions and improved health care and through contributions to improve the long-term security of people affected by conflict. The ICRC is one of the world's largest humanitarian organisations. Reports that reached Sida in May 2007 showed that the organisation has contributed water for 16 million people, health care for around 2.3 million, food for more than 2.6 million and agricultural support for around 3.4 million, as well as visiting around half a million prisoners. The ICRC's budget increased in comparison with 2006 owing to the worsening situation in places such as Iraq, Sudan, Chad, Sri Lanka and Somalia. The ICRC was one of the few humanitarian organisations able to operate in parts of Iraq, Sri Lanka, Chad and

Somalia affected by conflict. During the year the ICRC took over responsibility for one of the largest refugee camps (with 120,000 refugees) in Darfur when repeated assaults on humanitarian actors forced many other organisations to evacuate their personnel.

Conflict-related activities

Sida supports direct conflict-preventing and peace-promoting efforts through a conditional loan of SEK 200 million. To contribute to fulfilling the goal in this thematic area, Sida has prepared and followed up contributions in three areas, security, dialogue and structural stability, and has contributed to policy, strategy and method development. A selection of attainments/operations that best reflect the tasks and goal fulfilment in these areas are presented below.

Sida supports dialogue initiatives with the aim of changing attitudes and creating the necessary conditions for dialogue, negotiations and peaceful conflict resolution between primary or secondary parties to conflicts. An example is the support given to the ongoing peace process in northern Uganda. The peace negotiations in the “Juba process” are the most successful initiative to date to achieve a peaceful resolution of the 20-year conflict between the Ugandan government and the rebel Lord’s Resistance Army (LRA). Sida supports the UN Office for the Coordination of Humanitarian Affairs (UN OCHA) and coordinates support for the peace process. Of Sida’s support, which in 2007 totalled SEK 12.5 million, SEK 10 million went to the peace secretariat in southern Sudan that handles the mediation process, to monitoring work and to handle the situation in the assembly areas for the LRA. Sida also supports the participation of women in the peace process through a separate contribution from the regional appropriation. The support follows Sweden’s national action plan for implementation of United Nations Security Council Resolution 1325 (2000) on women, peace and security. As Sida has identified in its formulation of goals, these contributions have contributed to regional stabilisation and to a peaceful situation in the past year in northern Uganda.

Mine-management operations are included among peace-promoting initiatives, and Sida supports countries affected by conflict such as Lebanon, Iraq, DR Congo, Somalia, Bosnia-Herzegovina and Sri Lanka. Results include areas cleared of mines, the development of national resources and capacity as well as preventive training. Sida contributed, for example through the Mine Advisory Group (MAG) to 18 different mine-clearing operations being carried out in DR Congo in March over a total of 65,000 square metres of agricultural land, to 16 high-explosive shells from the war being made safe and to 27 newly discovered dangerous areas being reported, and held 15 training courses in mine risk awareness for the local population. These results agree with aims and project activities established in MAG’s project application, on which Sida’s agreement with the organisation is based.

Table 15. **Conflict-related activities, implementing organisation,** expenditure in SEK ‘000

Organisation	2005	2006	2007
American Friends Service (AFCS)	2 333	2 333	2 333
Arias Foundation Costa Rica	1 500	1 500	1 500
Civis	4 000	3 025	0
Clowner utan gränser	0	0	550
Collaborative for Development Actions	2 150	0	3 000
Conciliation Resources	4 000	4 000	4 000
Danish De-mining Group (DDG)	11 175	-1 442	1 340
Diakonia	27	0	0
European Center Conflict Prev. (ECCP)	0	2 000	1 000
Swisspeace FAST	0	0	2 500
FEWER	0	1 275	0
Geneva International Center Humanitarian Demining	503	500	1 646
International Alert	8 620	10 000	12 211
Swedish Fellowship of Reconciliation	2 499	4 250	3 250
Life and Peace Institute, Sweden	19 773	14 041	19 694
Mines Advisory Group	14 370	14 315	14 700
Norwegian People's Aid	0	3 500	3 500
OCHA	0	0	10 000
Organisation of American States	0	0	2 000
Oxfam	0	6 000	6 000
Saferworld	3 200	3 200	4 326
Save the Children	5 900	3 538	0
Search for Common Ground	2 600	10 250	10 150
Swedish Rescue Services Agency	14 375	-5 242	50 636
Stockholm International Peace Research Institute (SIPRI)	478	0	0
Christian Council of Sweden	0	-609	0
UN Children's Fund	18 000	3 875	3 818
UN Development Programme	2 000	19 400	6 997
UN Mine Action Centre	5 000	5 000	5 000
United Nations	9 000	17 000	16 999
University of British Columbia	0	3 499	2 500
UNLiREC	4 000	4 000	0
Uppsala University	1 579	0	0
Swedish Ministry for Foreign Affairs	2 000	0	0
World Health Organisation	0	3 000	0
Other organisations	984	3 224	3 045
Grand Total	140 066	135 432	192 695

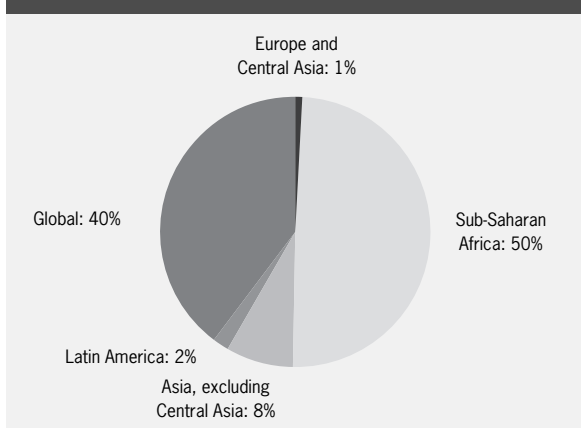
Negative sums relate to repayments.

An example of structural contributions is the electoral support for Colombia where, in addition to the ongoing support to verify the disarmament and the re-integration of illegal armed groups, Sida provided extra support to the Organisation of American States to monitor the autumn elections together with national partners with the aim of

Table 16. **Conflict-related activities**, by region, expenditure in SEK '000

	2005	2006	2007
Sub-Saharan Africa	65 872	44 484	95 996
Asia, Middle East and North Africa	8 175	12 428	15 887
Latin America	23 500	16 025	3 227
Europe and Central Asia	0	0	2 398
<i>Europe ODA countries</i>	0	0	2 398
<i>Europe non-ODA countries</i>	0	0	0
Global	42 519	62 494	75 187
Total	140 066	135 432	192 695

Diagram 1. **Conflict-related activities by region**, percentage of total



preventing abuses and conflicts and contributing to strengthening the democratic process. The conduct of the elections was observed in 233 municipalities (53 per cent of the country's municipalities) and at 19 places in the capital. There were 5,000 trained observers, many of them from civil society. Risk maps and conflict analyses were compiled and distributed beforehand. These were followed during the day of the election to prevent and report on conflict situations.

Sida continuously evaluates its partner organisations. In 2007 Sida evaluated one of the leading organisations for method development, Collaborative Learning Projects (CDA), for methods relating to conflict sensitivity in development cooperation. The evaluation shows that methods relating to conflict sensitivity have been widely disseminated, principally among donors and international organisations. The methods have been found to be complex and difficult to adapt to different conflict situations. The organisations

are looking for continuous support to apply them in different organisational structures and adapt them to the Paris agenda.

ANALYSIS OF OUTCOME

The outcome for 2007 for the operational area of Humanitarian assistance and conflict-related activities totalled SEK 2.1 billion, accounting for just over 13 per cent of Sida's total outcome. The five largest countries account for 39 per cent of the total outcome. The total outcome increased marginally as a consequence of redistributions to the benefit of this appropriation item during the year. The increase is entirely due to the part of the operational area that finances conflict-related contributions, particularly peace-building efforts under the auspices of the United Nations. The principal form of aid in humanitarian contributions is humanitarian assistance, with project support only provided to a lesser extent. The main sectors are conflict, peace and security and humanitarian assistance. There has been a relatively large increase in conflict, peace and security, while humanitarian assistance has declined somewhat. The number of operations increased slightly in comparison with 2006. This is due to the sharp increase in the number of natural disasters during the year, which led to a large number of smaller contributions. Sida is working actively to increase the number of collective agreements and framework agreements in the humanitarian area. Of the five largest countries, Sudan represents the largest area with 32 per cent of the total outcome. Assistance to Sudan has increased and relates to extensive humanitarian assistance due to the war in Darfur. The increase in assistance to Uganda is explained by a prolonged ceasefire during the year, which improved access to the area. Humanitarian assistance in Somalia increased somewhat more than initially planned due to deteriorating conflicts during the year. Assistance to the West Bank and Gaza decreased due to worsening access to the area. The increases in humanitarian assistance in the Democratic Republic of Congo are associated with the region's high level of poverty after the war. The total administrative expenses, calculated per country in relation to outcome, account for around 1.5 per cent. This relatively low level has been achieved by improving the efficiency of humanitarian assistance and prioritising preparedness over advice. As large parts of the humanitarian support are handled via the United Nation's joint appeals, CAP or Flash, these demand less administration in relative terms than other humanitarian assistance. Organisational support for the large framework organisations the Red Cross and the Swedish Rescue Services Agency is also included under Other countries/regions, but its impact on the total is likely to be minimal.

Table 17.

Humanitarian assistance and conflict-related activities,
expenditure in SEK '000

The main partner countries 2007	2005	2006	2007	Administrative expenses 2007
Sudan	205 362	200 666	254 341	1 300
Democratic Republic of Congo	112 480	170 270	171 368	1 473
West Bank and Gaza	92 690	155 081	150 216	867
Somalia	45 490	53 352	115 368	542
Uganda	115 252	86 592	108 613	542
Other countries/regions	1 297 861	1 345 618	1 264 028	26 583
Total	1 876 997	2 011 579	2 063 934	31 306
Type of support				
Project support	179 824	78 742	152 487	
Technical assistance, incl. contract-financed technical cooperation	0	0	0	
International training programmes	0	0	0	
Credits	0	0	0	
Guarantees	0	0	0	
Programme support	25 000	0	0	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	25 000	0	0	
Humanitarian assistance	1 672 173	1 932 838	1 911 447	
Research	0	0	0	
Grants to NGOs	0	0	0	
Total costs	1 876 997	2 011 579	2 063 934	
Channels				
Multilateral organisations	858 183	1 020 673	957 200	
Swedish organisations	322 363	286 909	355 298	
Organisations in partner countries	-1 625	0	0	
Organisations in other countries	13 162	31 639	34 077	
International NGOs	684 914	672 358	717 359	
Total costs	1 876 997	2 011 579	2 063 934	
Main sectors				
Health	0	0	0	0
Education	0	0	0	0
Research	0	0	0	0
Democratic governance and human rights	0	0	0	0
Conflict, peace and security	150 566	135 432	192 695	2 600
Humanitarian assistance	1 626 368	1 875 947	1 871 240	24 481
Infrastructure	0	0	0	0
Trade, industry and financial systems	0	0	0	0
Natural resources and environment	0	0	0	0
Budget support for poverty reduction	0	0	0	0
Other sectors	100 064	200	0	4 225
Total costs	1 876 997	2 011 579	2 063 934	31 306
Number of valid contributions	416	365	377	
<i>of which > SEK 15 million</i>	24	16	19	
<i>number of new contributions</i>	155	117	125	

Negative amounts relate to repayments.

Concessionary credits

Sida will contribute to increasing the availability of financing solutions for infrastructure solutions to promote development.

ASSESSMENT OF OPERATIONAL RESULTS

As in recent years, there has been little demand for loans, given their present structure. In 2006, the Government commissioned a review of credit-financed development cooperation. This review resulted in a proposal to replace Sida's present type of concessionary credits with a new type of development loans, which, where possible and appropriate, would be issued in local currency. The purposes of these new loans would be to avoid the risks of currency fluctuations, and enable domestic funds to be used in the countries where the investments would take place. According to the committee's directive, development credits would also serve as an instrument for the least developed countries (LDCs). In 2007, Sida noticed an increased demand for loans, and discussions regarding future projects have been held in Mozambique and elsewhere.

In 2007, Sida prepared a proposal for operationalizing the recommendations of the review committee in preparation for the Government decision to introduce these as a way of increasing the level of goal fulfilment. New methods and instruments that focus on local currency financing, and are linked to capital market capacity development have been developed. In the area of local currency financing of infrastructure investments, Sida has arranged seminars in Tanzania and Namibia to discover future financing service needs and provide information on the various solutions that Sida can provide.

Of the SEK 354 million contributed by Sida in this operational area, SEK 274 million has gone to the Private Infrastructure Development Group (the PIDG initiative). The objective of all of the PIDG initiatives is to facilitate the financing of, and increase accessibility to private capital for, infrastructure investments in poor countries. Investment in these countries, while necessary for the fulfilment of the United Nations Millennium Goals, has long been neglected. By contributing to these projects, Sida can help to speed up infrastructure development in these countries. This initiative, which was created about four years ago by the United Kingdom, the Netherlands, Switzerland and

Sweden, has resulted in the establishment of five funds, known as "facilities", which support the construction and financing of private infrastructure in developing countries. An evaluation in 2007 found that the PIDG has developed an effective and efficient organisation, with well-functioning control instruments. Sida therefore deems this support to have been well placed.

In 2001, Sida approved a concessionary credit of SEK 18 million (total cost SEK 14 million) to ensure the supply of electricity to Ghana's capital, Accra. The final report for this project was issued in 2007, and found that the local electric company, (Electricity Company of Ghana, ECG) lavished praise on the project, regarding both its technical design and the transfer of knowledge that has taken place.

The reason why there have been so few investment projects during the year is that decisions in the planning of several large projects have taken longer than expected. A major planning process for an industrial environment project in Bangladesh was discontinued, which caused a deviation from the forecast disbursements. Country and sector concentration in 2007 has resulted in the postponement of several planning processes regarding Uganda, Vietnam and Bangladesh, for example, with pending decisions as a consequence.

The combined effect of the introduction of a new system of loans including new methods on one hand, and efforts regarding country focus on the other, has meant that the conditions for certain investment projects will not be completed during the year. As a result, Sida has less of a chance of fulfilling its goals for this operational area.

ANALYSIS OF OUTCOME

The total outcome in 2007 for the operational area of concessionary credits was negative. This can be explained by the reversal of a total of SEK 279 million of the previous year's appropriations, for a water project in Nepal and an infrastructure project in Bangladesh, were reversed in 2007. These projects were not implemented as planned due to political and security-related factors. The payments

from the credit appropriation totalled SEK 133 million.

The majority of the payments for 2007 relate to global initiatives and consulting and capacity development projects. The largest single payments to global initiatives related to GuarantCo, a part of the PIDG initiative, and the Global Partnership for Output-Based Aid (GPOBA), which each received SEK 45 million. This is the reason why the outcome was so low at country level. Of the five largest countries, Sri Lanka accounted for the largest amount. The outcome of SEK 17 million was for a sewage purification plant. On sector level, outcome from the appropriation largely concern the main sectors of infrastructure and environment (water and sanitation).

The administrative costs for the outcome should be seen in relation to the disbursement of SEK 132 million, rather than to the outcome of the appropriation. The administrative cost would then be six per cent, which is on par with the rest of the appropriation items.

Table 18.

Concessionary credits, expenditure in SEK '000

The main partner countries 2007	2005	2006	2007	Administrative expenses 2007
Sri Lanka	211 389	1 541	19 432	919
Thailand	1 532	5 472	2 243	92
Mozambique	-1 278	1 185	2 119	459
Uganda	0	1 567	474	735
Mongolia	252	544	350	92
Other countries/regions	35 344	-2 626	-160 547	5 788
Total	247 239	7 683	-135 930	8 085
Type of support				
Project support	17 743	16 423	18 260	
Technical assistance, incl. contract-financed technical cooperation	13	215	745	
International training programmes	0	0	0	
Credits	229 484	-8 955	-154 934	
Guarantees	0	0	0	
Programme support	0	0	0	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	0	0	0	
Humanitarian assistance	0	0	0	
Research	0	0	0	
Grants to NGOs	0	0	0	
Total costs	247 239	7 683	-135 930	
Channels				
Multilateral organisations	32 079	-10 000	109 600	
Swedish organisations	3 006	12 426	-126 245	
Organisations in partner countries	210 723	3 830	-120 617	
Organisations in other countries	1 431	1 428	1 333	
International NGOs	0	0	0	
Total costs	247 239	7 683	-135 930	
Main sectors				
Health	0	0	0	0
Education	555	491	412	0
Research	0	0	0	0
Democratic governance and human rights	0	0	4 000	92
Conflict, peace and security	0	0	0	0
Humanitarian assistance	0	0	0	0
Infrastructure	2 823	4 695	-142 376	7 993
Trade, industry and financial systems	30 204	-8 389	67 667	0
Natural resources and environment	212 366	8 872	-113 766	0
Budget support for poverty reduction	0	0	0	0
Other sectors	1 291	2 014	48 133	0
Total costs	247 239	7 683	-135 930	8 085
Number of valid contributions	46	46	44	
<i>of which > SEK 15 million</i>	2	0	3	
<i>number of new contributions</i>	7	9	6	

Negative amounts are due to reversals and realised and non-realised exchange losses.

NGOs

Sida will promote a vibrant and democratic civil society in which human rights are respected. Sida will cooperate with Swedish NGOs, their partner organisations, international networks and organisations that work for democratic governance, equal opportunities for women and men, respect for human rights and freedoms, tolerance of minorities and dissidents and, where applicable, try to reconcile religious and ethnic differences.

Sida will ensure that guidelines and general conditions for grants to frame organisations and other NGOs comply with Government decisions based on the Government Bill—Shared Responsibility: Sweden's Policy for Global Development (Govt. Bill 2002/03:122, Report 2003/04:UU3, Parliamentary communication 2004/05:4).

Sida's support to NGOs will promote greater interest in, and commitment to, global development issues in Sweden. Sida will support the information activities of NGOs, i.e. to disseminate knowledge and promote public discourse in Sweden about global development issues and international development cooperation.

ASSESSMENT OF OPERATIONAL RESULTS

The following is a presentation of a number of current projects and results achieved in relation to the overall objective of the NGO appropriation item. The selection of projects demonstrates the breadth of the NGO appropriation and the frame organisations' ability to attain results amongst people affected in local communities and also in regions of conflict.

As part of Sida's work to produce cooperation strategies, results are also prepared for the frame organisations' development cooperation activities within the NGO appropriation. During the year, results can be summarised from several such processes. One process took place in West Bank and Gaza, where Sida's grant to NGOs is just over SEK 24 million, just under two percent of the appropriation item. Five Swedish organisations submitted results of their work to strengthen civil society in the West Bank and Gaza. The organisations have principally worked with marginalized groups, such as women, children, disabled people, young people and farmers. The frame organisations' assessment is that civil society organisations are generally important in the fight for freedom, and comprise a platform for oppressed groups to make their voices heard. In the Palestinian areas, civil society also plays an important role as a platform for normality in chaotic and difficult everyday circumstances. Because of the difficult political situation, it is also a challenge for the organisations to implement projects and attain objectives. The major problems are restrictions on

freedom of movement. The organisations report difficulties in conducting activities in the area, but also report that support to local organisations with local support increases the chances of implementing the projects. It is felt that coordination between the different UN bodies is not successful. The organisations' view is that successful coordination would benefit the work of both international and national organisations. The organisations partly differ in their objectives of projects, but a common overall objective is strong civil society. Most of the attained results are in practical projects, such as improved chances for the target group to support itself, and thereby greater self-sufficiency. The following examples demonstrate this:

- Grants to several cooperatives have improved the ability of hundreds of members to support themselves.
- Over 200 women participated in financial and social projects in the local community.
- By setting up a school for children with learning disabilities, the project has helped acceptance of these children in mainstream schools.

Sida's assessment is that these, often small, projects are relevant and often cost efficient in strengthening civil society.

Diakonia

During the year, Sida adopted new guidelines for grants to NGOs within the operational area. Longer agreement periods were introduced. Because of this, the frame

organisation Diakonia has submitted a three-year final report in which it presents results of its work in approximately 50 countries in Asia, the Middle East, Africa and Latin America. Sida's grant to Diakonia for development cooperation in 2007 was SEK 105 million, just under nine percent of the appropriation item. The overall objective of the operation is to change unfair structures—political, financial and social—that generate poverty, oppression and violence. In order to attain the long-term objective, Diakonia works in the four thematic areas of democracy, human rights, gender equality and social and economic justice. Diakonia's main target groups are poor and marginalized people in the countries in which it is active, and the partner organisations with which they cooperate in order to attain the objective. Diakonia demonstrates a number of results in Latin America, the Middle East and North Africa, Asia and Africa.

In Latin America, Diakonia principally shows results in the areas of democracy, human rights and gender equality. Many country programmes report results at national and local level in the form of law proposals, reporting of violent assaults, and reporting on human rights. Diakonia's partners in Bolivia have driven processes that have resulted in restoration of land rights. Many partners have also worked to increase representation of females in local decision-making bodies. In Bolivia, the increase in representation has exceeded expectations, and has reached 34 percent.

In the Middle East and the North Africa region, Diakonia's primary focus has been on the rights of children and disabled people, and health issues. One partner organisation in Egypt has contributed to the authorities issuing birth certificates to children born in the street. The proportion of families that circumcise their girls has fallen dramatically, from the original 89 to 9 percent, in the areas in which the organisation works. In Iraq/Kurdistan and Palestine, it has been more difficult to show concrete results because of difficult circumstances, both political and in terms of conflict.

Diakonia's projects in Asia demonstrate results primarily in the areas of economic and social justice, where many programmes comprise microfinancing projects and subsistence projects in the farming and livestock sector. The projects have led to greater enterprise amongst women and increased income for households. In Bangladesh, a result of the project was that 90 percent of 160 new entrepreneurs were women. Furthermore, the project has increased children's school attendance by 25 percent, which Sida regards as positive.

Examples of results that can be shown for Diakonia's work in Africa are primarily in the areas of democracy and gender equality. In Mali, projects have helped reduce the numbers of arranged marriages for girls. Legal advice has improved access to the legal system for marginalized groups and victims of law in Kenya. In the area of social and economic justice, results can be shown where partners mobilised movements in civil society that helped to design the national land policy in Kenya and reformulate the

policy for land distribution in KwaZulu Natal, South Africa. A couple of organisations have also succeeded in promoting fairer trade and improved working conditions in the flower industry.

Plan Sweden

In 2007, Sida and Plan Sweden cooperated through Plan's project activities to promote a vibrant and democratic civil society in seven developing countries. Sida's grant to Plan in 2007 was SEK 16 million, just over one percent of the appropriation item. In order to examine whether Plan's operation is relevant in relation to the overall objective for Swedish development cooperation, Sida carried out a number of visits during the operational period and, in summer 2007, evaluated Plan's relevance. A results analysis was carried out in conjunction with Plan's interim report of its initial period. In the results analysis, which was based on Plan's interim report, relevance evaluation and monitoring visits, Sida's conclusion is that it is too early to examine results attained at programme level. However, there are clear indications that, through its projects, Plan has mobilised children, parents and communities linked to the programmes. Alliances and networks have been set up, comprising different civil society actors that work for children's rights. In Cambodia for example, Plan has worked through its local partner organisation, NGO Committee for Children Rights (NGOCRC), to start a national children's network. This has been set up in 11 provinces. In addition, 205 children's clubs have been set up and linked to the national network (CAN). Furthermore, through advocacy, NGOCRC has succeeded in obtaining invitations to children to participate in the consultative processes relating to Cambodia's report to the UN on implementation of the UN Convention on the Rights of the Child 2000–2006. Sida is positive to the outcome in Plan's Cambodia project, in view of the fact that Sida funding was limited to approximately SEK 1.3 million in 2007. Plan is also working innovatively to strengthen government institutions and their officials with the aim of increasing awareness of children's rights and to act accordingly in applying the UN Convention on the Rights of the Child.

Hiv/aids

As part of Sida's prioritisation of HIV/AIDS issues, courses in Scaling Up—HIV/AIDS have been held at Sida Civil Society Centre in Härnösand. These courses have been arranged jointly with the Aids Support Organisation (TASO), with field study weeks in Uganda. Sida's grant to this project was slightly less than SEK 0.5 million in 2007. Through theory and experience-based learning, the training aimed to make the Swedish organisations and their partners more aware of, and provide information about, HIV/AIDS and instruments with which to develop their commitment in the field. The training courses have created networks and given course participants important knowledge and experience of how the HIV/AIDS work can be implemented in their organisations.

Table 19. Support via NGOs, ODA

Approved grants*	Grants to framework organisations, SEK '000			Number of foreign partners			Number of Swedish NGOs included in the framework organisation's activities		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
Swedish NGO Centre for Development Cooperation (Forum Syd)	171 609	199 136	177 292	251	235	240	196	192	208
Swedish Mission Council	124 426	127 927	118 407	154	167	152	22	25	26
Swedish Save the Children Federation	120 000	127 817	129 158	256	228	236	0	0	0
PMU Interlife	95 000	100 772	102 488	130	94	87	34	35	97
Church of Sweden	75 097	76 587	79 000	66	71	69	0	0	0
Diakonia	95 600	105 000	102 160	239	248	249	0	0	0
Swedish Cooperative Centre	107 490	132 867	132 530	83	95	98	0	0	0
LO/TCO Council of International Trade Union Cooperation	100 030	96 305	94 074	245	287	327	22	33	30
Olof Palme International Center	64 000	72 236	68 329	90	112	116	52	65	61
Africa Groups of Sweden	35 000	38 620	37 700	53	65	48	0	0	0
Swedish Organisation of Handicapped International Aid Foundation (SHA)	37 219	36 116	35 861	65	69	72	13	17	22
PLAN Sweden	0	2 770	15 730	0	19	29	0	0	0
Training for Development Assistance (UBV)	17 000	19 000	18 378	43	27	29	6	0	0
Swedish Society for Nature Conservation	22 015	23 129	22 000	61	60	67	3	3	3
Total framework grants	1 064 486	1 158 282	1 133 107	1 736	1 777	1 819	348	370	447
Information programmes via Swedish NGOs									
Africa Groups in Sweden	4 500	4 418	4 700						
Workers Educational Association (ABF)	3 000	2 800	759						
Diakonia	5 600	5 700	5 900						
ECPAT International	0	0	2 131						
Swedish NGO Centre for Development Cooperation (Forum Syd)	18 156	17 735	20 305						
Frikyrkliga studieförbundet (adult education)	1 700	2 818	2 400						
Swedish Fellowship of Reconciliation	350	-44	0						
Kvinna till Kvinna Foundation	1 400	2 967	3 200						
National Council of Swedish	1 200	2 085	2 450						
Youth Organisations (LSU)	14 740	15 398	18 591						
LO/TCO Council of International Trade Union Cooperation	2 344	3 000	2 900						
Educational Activity of the Sobriety Movement (NBV)	3 953	3 783	3 713						
Olof Palme International Center	0	0	1 000						
PMU Interlife	4 500	4 342	4 700						
Swedish Save the Children Federation	0	1 200	-85						
Sensus	2 210	4 171	4 200						
Study Promotion Association	2 700	2 500	1 500						
Studieförbundet Vuxenskolan (adult education)	2 910	3 425	843						
Svenska idrottsrörelsens studieförbund (adult education)	2 100	1 915	2 100						
Swedish-Afghanistani Committee	1 800	1 950	2 000						
Swedish Organisation of Handicapped International Aid Foundation (SHIA)	2 639	2 646	2 972						
Church of Sweden	2 100	3 231	3 303						
Swedish Mission Council	4 159	7 868	7 483						
Swedish Society for Nature Conservation	3 600	3 600	4 350						
Swedish Red Cross	3 621	4 085	4 565						
Swedish UNICEF Committee	1 420	1 585	1 700						
Christian Council of Sweden	1 400	1 789	1 800						
Swedish Cooperative Centre	5 000	5 800	6 200						
World Wildlife Fund (WWF)	2 558	3 190	4 063						
Other organisations	13 190	11 591	9 356						
Total information programmes	112 850	125 551	129 099						

Negative sums relate to repayments

The frame organisations' communication activities

The frame organisations' communication activities funded from the NGO appropriation contain many examples of projects that focus on challenges and problems relating to globalisation. The overall objective of communication activities is to promote just and sustainable global development through greater interest in, and commitment to, global development issues in Sweden. Sida's support to NGOs for communication and information activities was SEK 129 million, the equivalent of approximately 10 percent of the appropriation item.

Four examples of results from Sida's support to the frame organisations' communication activities are shown below. The selected projects provide examples of the organisations' abilities to provide information to Swedish society in different ways about global issues that affect people.

Around 50 Swedish NGOs participated in both Almedal Week and the Göteborg Book Fair to raise awareness of global issues and to provide information about development in the world. Participants from Africa, Latin America and Asia were invited, and contributed with seminars and debates. The result of the activities at the Göteborg Book Fair was that no fewer than 15,000 people visited the approximately 200 programme items in the International Square.

Throughout the year, the Swedish Society for Nature Conservation worked with, and drew attention to, the theme of environmentally friendly textiles, in cooperation with SwedWatch, the Clean Clothes campaign and Fair-trade, whose activities involve providing information about the environmental effects of textiles—both in Sweden and in the countries of manufacture. The aim is to promote the trade of organic textiles and reduce the amount of toxins used in agriculture and textile production in the world.

Another example of results is Sida's grant to the Church of Sweden that resulted in the book *Orka*. This is primarily aimed at young people in Sweden, with the focus on how people in poverty and poor countries can benefit from the advantages of globalisation.

The Africa Groups of Sweden worked intensively in Sweden with HIV/AIDS and gender equality issues through seminars, debate articles and the Southern Africa Days.

Adoption activities

Sida has adopted new guidelines for grants to organisations that run international adoption activities and development cooperation programmes. This is to distinguish between the operations, and to contribute to the objectives for the operational area. In the Letter of Appropriation for 2007, Sida was given the task of continuing the work to develop and establish guidelines for the development cooperation activities of adoption organisations. This work is being carried out in cooperation with the Swedish Intercountry Adoptions Authority (MIA) and in consultation with the adoption organisations.

The work to produce the guidelines has been via consultation meetings and dialogue with MIA, its control council, adoption associations and Forum Syd.

Performance project

A performance project relating to support to NGOs was completed in 2006. One result, based on lessons learned from the project report, *Efficient Development Cooperation via Learning and Trust*, January 2006, was that Sida adopted new guidelines for grants to NGOs in February 2007. These have a clearer link to Sweden's policy for global development, and are aimed at steering the organisations' operation towards the objective of developing a vibrant and democratic civil society in which human rights are respected.

Compliance audits

Sida carried out compliance audits of five of 14 existing frame organisations during the operational year. The purpose of the compliance audits was to examine the extent to which the organisations comply with agreements and Sida's general conditions and guidelines. The compliance audits show a clear need for a revision of Sida's policy instruments for the NGO appropriation, and for Sida to hold a dialogue with the frame organisations about their

responsibility to ensure that next-level organisations comply with agreement conditions. This is also shown in the package of measures that the Sida board adopted at the start of November 2007 in response to the Swedish National Audit Office's report, "Irregularities in Development Cooperation".

Summary

Sida's assessment is that the outcome from different projects shows that Sida has taken a step forward towards the objectives of the operational area. Sida observes that the results presented in 2007 show that civil society has been strengthened in those countries where Swedish organisations are active, and that there is still considerable interest in Sweden for global issues.

ANALYSIS OF OUTCOME

The outcome for the NGO operational area in 2007 was SEK 1.3 billion, which is just over 8.5 percent of Sida's total outcome. The outcome is a marginal increase from last year. The organisations that received the biggest grants include grant-mediating organisations such as Forum Syd, the Swedish Mission Council and the LO-TCO Secretariat of International Trade Union Development Cooperation. These organisations mediate grants to several hundred small and medium-sized Swedish NGOs.

The allocation by main sectors varies over the three-year period. This is mainly because the frame organisations improved and developed their statistical classification during the period. The work was initiated when Sida adapted the DAC sector codes in 2005. All sectors except Health, Education and Trade have increased compared with 2005. The increase for Natural Resources and Environment indicates that the organisations have allocated more resources to combating forthcoming climate changes. Grants within the budget items, Partner Country's Organisation and Other Countries' Organisations, increased temporarily in 2007 because of support to the organising of the World Social Forum in Nairobi and the Nordic Plus meetings.

During the year, the NGOs carried out activities in around 100 countries. The increase is mainly in Africa, with the emphasis on South Africa and Kenya. Development cooperation projects have increased parallel with humanitarian support in the West Bank and Gaza. It is mainly the Palme Center, the Swedish Mission Council, the Church of Sweden and PMU InterLife that have reported a greater number of projects in the West Bank and Gaza and, in certain cases, have shown a greater focus on the area in their Swedish communication activities. Other changes from the outcome in previous years are mainly explained by improvements in the frame organisations' statistical reporting by country. Projects that were previously classified at global or regional level have been broken down to country level, and so give a more accurate picture.

The number of projects has decreased because a number of organisations that received programme grants for communication activities have been incorporated through different grant-mediating frame organisations. The number of projects exceeding SEK 15 million has increased since Plan Sweden became a frame organisation.

No administrative costs are shown by country because the cooperation within the appropriation item takes place via Swedish frame organisations at organisation level. The funds are mediated via the frame organisations to the partner organisations at country and sector level, depending on the organisations' own priorities and objectives. The administrative costs per main sector in the NGO appropriation item are allocated, in accordance with the overall objective, to the main sector of democracy and human rights.

Table 20.

NGOs, expenditure in SEK '000

The main partner countries 2007	2005	2006	2007	Administrative expenses 2007
South Africa	29 084	30 528	34 428	
Bolivia	10 602	14 627	32 384	
Kenya	22 656	24 220	30 810	
West Bank and Gza	22 060	20 691	26 022	
India	27 103	30 668	25 236	
Other countries/regions	1 079 490	1 172 929	1 153 467	
Total	1 190 995	1 293 663	1 302 347	37 844
Type of support				
Project support	3 348	3 701	4 560	
Technical assistance, incl. contract-financed technical cooperation	0	0	0	
International training programmes	0	0	0	
Credits	0	0	0	
Guarantees	0	0	0	
Programme support	0	0	0	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	0	0	0	
Humanitarian assistance	0	0	0	
Research	0	0	1 145	
Grants to NGOs	1 187 647	1 289 962	1 296 642	
Total costs	1 190 995	1 293 663	1 302 347	
Channels				
Multilateral organisations	0	0	0	
Swedish organisations	1 182 794	1 284 782	1 291 734	
Organisations in partner countries	41	0	1 750	
Organisations in other countries	0	63	363	
International NGOs	8 160	8 818	8 500	
Total costs	1 190 995	1 293 663	1 302 347	
Main sectors				
Health	93 025	40 905	81 664	0
Education	141 445	73 179	118 850	0
Research	0	0	1 145	0
Democratic governance and human rights	524 708	984 786	737 532	37 844
Conflict, peace and security	15 802	7 799	22 872	0
Humanitarian assistance	0	0	0	0
Infrastructure	11 161	666	18 216	0
Trade, industry and financial systems	34 872	7 081	26 551	0
Natural resources and environment	121 773	27 216	131 816	0
Budget support for poverty reduction	0	0	0	0
Other sectors	248 209	152 031	163 701	0
Total costs	1 190 994	1 293 663	1 302 347	37 844
Number of valid contributions	154	144	133	
<i>of which > SEK 15 million</i>	14	14	16	
<i>number of new contributions</i>	55	65	34	

Information

Sida is to promote increased interest in, and greater knowledge of, Sweden's international development cooperation. In particular, Sida is to emphasise the results of development cooperation in its communication activities.

ASSESSMENT OF OPERATIONAL RESULTS

The task of this operational area was changed this year, and the appropriation reduced. All activities were reviewed and revised, and programmes were started to allow prioritisations to be made in response to the new circumstances. In 2007, work has largely focused on adapting the operation.

A number of activities were carried out during the year aimed at highlighting the results of development cooperation. Sida's assessment is that the activities are well in accordance with the objective for the operational area, and a number of activities are reported below.

The first Sida Development Area event was held in May 2007. The purpose of this new communication initiative is to create an arena for the exchange of experiences and where contacts can be made that will improve and strengthen Sweden's development cooperation. It was considered both cost-efficient and strategic to create such a distinctive arena, rather than a number of dispersed initiatives. Sida Development Area is to promote dialogue and relationships between government agencies, cooperation partners and Swedish actors, and to boost knowledge and interest. It is a forum where the focus is on results and where successful initiatives and cooperation are presented.

In 2007, three forums were held on different themes: HIV Prevention, Gender Equality and Business Actors; Climate Change, Food Security and Poverty Reduction; and Trade and Growth in Africa. Interest was great, and each forum was full. There were approximately 120 participants, comprising key actors from organisations, the business community, public authorities, politics, embassies and research (as well as media). Contacts were made, experiences exchanged, and important issues were discussed.

A number of associated projects were implemented during the year. Media plans were carried out and made a strong impact (millions of potential readers, listeners and viewers), and Web television and Web radio (podcast) programmes were produced.

With the aim of increasing knowledge about, and interest in, Swedish development cooperation, Sida arranged an Open House for the general public in August. The event was held in Sida's premises at Valhallavägen in Stockholm, and included a live virtual transmission via Web television at www.sida.se. The website also had a manned chat facility where visitors to the website could ask questions about Swedish development cooperation to some of Sida's managers and experts. The exhibition section included different stations where visitors could discuss development cooperation and other development issues with some of the over 100 Sida employees that took part (of which approximately 40 were from the embassies). Invitations were issued via national newspapers and websites. The general public showed considerable interest, and the event attracted approximately 1,000 visitors. The Open House part of the website attracted about a further 10,000 people, and 500 of these watched the event live via Web television. Public radio and television, Sveriges Radio and SVT, covered the event.

During the year, Sida's proactive media work resulted in nearly 3,800 articles in local and national press, plus features in other media and websites. These have mainly given a neutral and accurate picture of Sida's operation. The comments of Sida representatives accounted for slightly less than one-fourth of the publicised material.

Evaluation of Zenit

An evaluation was made of Zenit, Sida's global forum for young people. The evaluation showed that young people did not acquire new knowledge or discover new insights to a sufficient degree from their meeting with Zenit. Instead, this experience is largely reinforcing the views that the young people already have.

Global development issues are abstract and complex, so discussions and reflections are the forums to enable learning and insights about global threats and opportunities. The evaluation considered that schools were the best forum for these discussions.

Long-term work is needed to attain results in communication with young people. The evaluation also considered that Sida must integrate its objectives into the operational activities to allow more efficient measurement of results.

Statistics Sweden: A positive view of development cooperation

Sida commissioned Statistics Sweden (SCB) to conduct a postal survey of the Swedish population's attitudes to development cooperation and development issues. The survey was conducted in October and November 2007, and involved a sample of 2,000 people. The response rate was 56 per cent, which is slightly higher than the response rate of the 2006 survey.

The SCB report showed three main trends:

- The desire to provide development cooperation continues to be high, and seems to have been even stronger;
- Confidence in Swedish development cooperation actors is decreasing;
- The already overly pessimistic view of development in the world seems to have become even more pessimistic.

The SCB survey showed that 44 per cent of the respondents in Sweden felt that development cooperation is at roughly the right scale, while 16 per cent felt that development cooperation should be increased. In 2006, the figures were 48 per cent and 13 per cent, respectively.

Last year's development cooperation debate, and criticism from different actors, seems to have reduced the confidence of the Swedish population in development cooperation efficiency compared with 2006. The survey coincided with a report by the Swedish National Audit Office that attracted a lot of attention and was critical about Sida's support through NGOs.

On a five-point scale, Sida's grade has fallen from 3.0 to 2.7. This is the biggest change that has been noted since the question was first asked in 1996. The grades for the NGOs and for the United Nations have also fallen, but not as strongly.

The decrease in confidence can also be seen in Sida's index. It is especially noticeable for the question: To what extent do you agree with the following statement: "Those responsible for Swedish development cooperation are very familiar with conditions in poor countries?" The proportion agreeing with this has fallen from 47 to 41 per cent.

The survey also shows that the Swedish population has a pessimistic view of trends in the developing countries. Only 26 per cent believe that living conditions in poor countries have improved in the past 30 years. However, this represents a slight increase compared with the previous year.

The Statistics Sweden survey also included three questions about what respondents believe about living conditions in countries in poverty. The respondents were to state what proportion of the population in poor countries could read and write, had access to clean water, and had access to health care.

No less than 38 per cent selected the most pessimistic choice—that only one in ten have access to clean water, health care, and can read and write. Last year, the corresponding figure was 32 per cent.

In response to the question about literacy in "poor countries", no less than 60 per cent responded that only 1 in 10 or 2 in 10 in the developing countries could read and write. This can be compared with the UN statistics indicating that literacy in low-income countries is over 60 per cent (six in ten).

The Swedish population's personal donations to NGOs seem to have fallen somewhat from the record levels in 2005, when humanitarian projects after the tsunami in South-east Asia requested support. However, these contributions are still considerably higher than earlier in the 2000s. Over 50 per cent of the respondents in the SCB survey stated that they donated money in the past year to voluntary organisations engaged in development cooperation.

SIFO Research International about the Millennium Development Goals: Many people in Sweden want to help reduce poverty

Every year, the Swedish Government commissions Sida to conduct a survey of the general population on the subject of the UN Millennium Development Goals. The SIFO survey aims to give an overall impression of the Swedish population's knowledge of, and attitude to, the objectives.

Eight out of ten people living in Sweden are prepared to contribute to halve poverty in the world. One in five believes that poverty can be halved by 2015. At the same time personal commitment of young people is decreasing.

One of the questions in the survey was as follows: Are you prepared to do something yourself to enable attainment of the goal? 76 per cent responded that they were sure or quite sure they would be prepared to do something, 15 per cent said they probably would not or definitely not be prepared to do anything, and the remainder were undecided.

A majority of the respondents, 64 per cent, could consider donating money. 14 per cent were willing to change their lifestyle, and approximately 10 per cent were willing to participate in volunteer work.

It was primarily people between 30 and 64 years old that were prepared to do something themselves to help attain the goal. The group most willing to do something were those between 30 and 49 years old, where 46 per cent stated that they could definitely consider doing something to help. Older and younger people were less willing but, even in these groups, the majority were willing to take action.

In the 15–29 year old groups, the numbers willing to become involved fell from 87 per cent to 73 per cent compared with 2006.

ANALYSIS OF OUTCOME

The expenditure in 2007 for the Information operational area was SEK 38 million, which is just over 0.2 per cent of

Sida's total expenditure. The projects in the operational area are currently under review in order to adapt the operation to the reduced appropriation.

The outcome has been channelled via Swedish consultants and agencies and to the sub-sector "Actions in order to provide information about and promote development cooperation", which is part of the "Miscellaneous sector".

As the information appropriation is low, the administrative costs as percentage of outcome is high.

Table 21.

Information, expenditure in SEK '000

Type of support	2005	2006	2007	Administrative expenses 2007
Project support	59 553	52 038	37 876	
Technical assistance, incl. contract-financed technical cooperation	0	0	0	
International training programmes	0	0	0	
Credits	0	0	0	
Guarantees	0	0	0	
Programme support	0	0	0	
<i>of which general budget support</i>	0	0	0	
<i>sector programme support</i>	0	0	0	
Humanitarian assistance	0	0	0	
Research	0	0	0	
Grants to NGOs	0	0	0	
Total costs	59 553	52 038	37 876	
Channels				
Multilateral organisations	0	0	0	
Swedish organisations	59 553	51 531	37 670	
Organisations in partner countries	0	506	205	
Organisations in other countries	0	0	0	
International NGOs	0	0	0	
Total costs	59 553	52 038	37 876	
Main sectors				
Health	0	0	0	0
Education	0	0	0	0
Research	0	0	0	0
Democratic governance and human rights	860	561	0	0
Conflict, peace and security	0	0	0	0
Humanitarian assistance	0	0	0	0
Infrastructure	0	0	200	0
Trade, industry and financial systems	0	0	0	0
Natural resources and environment	0	0	0	0
Budget support for poverty reduction	0	0	0	0
Other sectors	58 693	51 477	37 676	9 688
Total costs	59 553	52 038	37 876	9 688
Number of valid contributions	22	23	32	
<i>of which > SEK 15 million</i>	0	0	0	
<i>number of new contributions</i>	14	16	22	

Other reports required

2007



The European Union

In a memorandum dated 21.12.2006 the Ministry for Foreign Affairs listed the points of departure for Sida's work in executive committees and expert groups. The memorandum is based on a circular from the Prime Minister's Office. At the end of 2007 the Ministry for Foreign Affairs carried out a review of how well both the Ministry itself and Sida were following the guidelines. The memorandum shows that Sida has applied the guidelines, and that they have served as a means of support in and concerning the committee work. The clarity which the guidelines bring to the Ministry's and Sida's respective areas of responsibility has been important. One difficulty has been the lack of rules of procedure for the new Committee for Development Cooperation (DCI). Moreover, the workload in the DCI Committee during its first year has been extreme, placing heavy demands on Sida. This initially led to an archiving backlog, which was subsequently remedied. The collaboration between the Ministry and Sida has frequently worked well, but can be improved.

As EU issues have increased in importance within Sida, the following section provides a review of the key EU activities over the last year. It deals first with the instruments and bringing influence to bear, and then the expert groups.

A number of new financial instruments have been added to the EU's long-term budget for 2007–2013, simplifying the budget structure within the EU. These instruments include the Development Cooperation Instrument (DCI), the Instrument for Pre-Accession (IPA) and the European Neighbourhood Policy Instrument (ENPI). There is also the European Instrument of Democracy and Human Rights (EIDHR), and the Humanitarian Action Committee for humanitarian issues.

Development cooperation with Africa, the Caribbean and the Pacific Ocean, i.e. the 78 ACP countries, continues to be financed from the separate ninth European Development Fund (EDF). A tenth EDF, which will come into effect in 2008, has been negotiated by the EU's Member States (MS). The cooperation is regulated by the Cotonou Agreement.

Responsibility for representing Sweden in the DCI and EDF Committees has been delegated to Sida. In the IPA, ENPI, EIDHR and HAC Committees, Sida assists the Ministry for Foreign Affairs. Sida also sits as the Swedish representative in a number of expert groups within the EU.

The Development Cooperation Instrument, DCI

The Development Cooperation Instrument (DCI) replaced ten earlier schemes on 1 January 2007. The budget for the entire period is EUR 16.9 billion.

DCI covers development cooperation measures with Asia and Latin America, as well as Central Asia, the Middle East and South Africa, plus six thematic programmes. The thematic programmes are intended to complement measures within the geographical programmes and comprise measures within the environment, investing in human resources, non-state actors and local authorities, improvement of food security, migration and asylum, and the Sugar Protocol.

The DCI Committee met 22 times in 2007, with Sweden—via Sida—representing other Member States on several occasions. The Committee has approved country strategies and annual action plans for 18 countries in Latin America, 19 countries in Asia, 5 countries in Central Asia, 5 countries in the Middle East, and South Africa.

Swedish influence

Country programmes and regional programmes in DCI

Sweden has mainly brought its influence to bear by making Swedish viewpoints known and gaining recognition for them, not just from the Commission but also from other Member States. These views have been set out in all Sida's instructions, taking their point of departure in Sweden's Global Development Policy and the Paris Agenda's principles on national ownership, complementarity and donor coordination, with the emphasis on local coordination.

Sweden has also emphasised the poverty perspective and cross-sector issues such as equality, climate/environment, civil society, human rights and democracy, one concrete example being the discussion of the action plan for regional cooperation in Asia, where Sweden, backed by other Member States, stressed the climate issue as one of the most serious challenges facing development in Asia.

At two committee meetings Sweden's instructions were absolutely not to approve a country strategy, as we were seeking extensive revisions. Sweden was the driving force in convening representatives of like-minded Member States both in the field and in Brussels in order to find a common position vis-à-vis the Commission. In both cases the strategies were withdrawn in order to accommodate the demands of the Member States.

Thematic programmes

During 2007 the Committee discussed strategies and action plans for the six thematic programmes. Examples of areas where Sweden has brought its influence to bear can be seen in the programme for non-state actors and local authorities, where Sweden pushed for a strong focus on poverty. Half of the decentralised budget now goes to least developed countries. Swedish influence has also led to civil society's right of initiative being retained for competent organisations, which can seek assistance for work in countries other than those prioritised by the Commission. Sweden has worked for strong civil society to be a general goal, and for the Commission's dialogue with civil society to be in accord with the EU delegations.

Other examples of Swedish influence can be found in the programme for the improvement of food security, where Sweden successfully pushed for the integration of HIV/AIDS issues, and the importance of market-based solutions and the role of the private sector.

The ninth and tenth EDF

The EDF Committee met 11 times during 2007, discussing a wide variety of cases. Various financing proposals under EDF-9 were dealt with, including proposals for budget support and regional and bilateral projects. The Committee also approved aid to the EU's co-financing fund for infrastructure, the purpose of which is to provide support for regional investments in Africa within the fields of energy, transport, water and information technology.

Within EDF-10, among other things the Committee approved 40 new country strategies, as well as special programming for good governance.

Swedish influence

Sweden has a high level of influence in the EDF Committee, based on the quality of our viewpoints and our large-scale presence in Africa. The committee work has been facilitated by the fact that, together with Sida, embassies and section offices have been able to coordinate their work well. The work has also been facilitated by a checklist for country strategies drawn up by Sida in consultation with the Ministry for Foreign Affairs. Prior to the committee meetings in Brussels, Sweden participates in informal meetings with like-minded countries, thus broadening the support for Sweden's viewpoints.

Sweden's active participation in the EDF Committee over the year has produced concrete results. For example, Sweden has pursued a clear position of influence in the co-financing fund for infrastructure by influencing the level of the minimum amount paid by Member States to the fund and by participating in the steering and executive committees.

Where country strategy work is concerned, Sweden has played an active part with extensive written and oral viewpoints. The embassies in the various countries have also been actively involved and in several cases have been successful in dialogue with the EU delegations. Sweden's

viewpoints have been well received by the Commission and in some cases have led to strategy documents being rewritten.

When it comes to good governance, Sweden has worked to advance the principles of the Paris Agenda, and pushed for the proposals concerning good governance to be included as an appendix to the country strategies.

Sweden's viewpoints have been set out in all Sida's instructions, taking their point of departure in Sweden's Global Development Policy and the Paris Agenda's principles on national ownership, complementarity and donor coordination, with the emphasis on local coordination. The poverty perspective and cross-sector issues such as equality, climate/environment, civil society, HR and democracy have also been emphasised.

During 2007 Sida took the initiative for closer collaboration with the Commission in the field, including in Congo. The aim is partly to help make the aid more effective, and partly to increase influence over the Commission's assistance in accordance with the Multi Strategy. Opportunities for collaboration with the Commission are also being investigated at regional level.

In the energy sector in Zambia, Sweden's aid to the fund for rural electrification was complemented by aid granted by the Commission via the energy initiative.

The Instrument for Pre-Accession (IPA) and the European Neighbourhood Policy Instrument (ENPI)

The EU's Instrument for Pre-Accession (IPA) and the European Neighbourhood Policy Instrument (ENPI) each have their own committee. Sida assists the Ministry for Foreign Affairs in the IPA and ENPI Committees, and is also responsible for Swedish agencies' preparatory work ahead of EU-financed twinning initiatives.

Swedish influence

The IPA Committee met eight times in 2007. During the year Sweden has actively driven forward the issues of the Paris Agenda concerning ownership, harmonisation and donor dialogue in the IPA Committee. Among other things, this has resulted in planned consultations in 2008 and a donor meeting in Brussels during 2007.

Sweden is also driving forward issues of equality and sustainability in the assistance, which has resulted, among other things, in clear formulations for the IPA ordinance within these fields.

The ENPI's clear policy and process focus has opened up new opportunities which Sweden, together with other Member States, has exploited in order to actively push for a results focus and openness in the Commission's assistance, making it possible to include issues of measurability and comparability in following up the partner countries' EU action plans. Cooperation with new Member States has also been launched with a view to reinforcing Sweden's political prioritisation of reform cooperation in Eastern Europe within the framework of the Committee's work.

Sida's contributions to the ENPI and IPA are important for Sweden's viewpoints as they are based on knowledge from work in the field.

During 2007 ten agencies received grants from Sida to apply for 14 EU-financed twinning projects, and in six cases the agencies concerned have been tasked by the Commission with implementing the project or parts of the project. Sida has also organised an annual meeting for Swedish actors involved in twinning initiatives.

Democracy and human rights (EIDHR)

The Executive Committee for Democracy and Human Rights (EIDHR) met twice during 2007 after adoption of the new legal framework. Sida assisted the Ministry for Foreign Affairs at one of these meetings and was Sweden's sole representative at the other. During the year the Committee issued an opinion on the Commission's strategy for the period 2007–2010, and discussed an action programme for 2007. Both the strategy and the action programme propose five main goals. The action programme for 2007 has been delayed. Sida considers the Executive Committee's new management model to be simpler and more effective than its forerunner.

Sida's work in expert groups

Sida is the Swedish representative in a number of expert groups within the EU, which often discuss various subjects leading to communications from the Commission to the Council. It is often important to bring Swedish influence to bear at an early stage within these groups.

Examples of Swedish viewpoints making an impact can be seen in the expert group for the environment, where Sweden's views on the EU Environmental Integration Strategy were very influential. Another example is the Commission's communication "Advancing African Agriculture", which to a great extent reflects the Swedish priorities put forward. Sida has collaborated with the Swedish Board of Fisheries on fishing-related issues, exerting influence through responses to consultation documents concerning the EU's partnership agreements.

In the field of infrastructure, Sida participates both in the expert group for the EU's energy initiative (EUEI) and in the Executive Committee for the infrastructure fund. The work within the expert group for the energy initiative has focused first and foremost on the energy partnership with

Africa agreed at the Lisbon summit, and on the fund for increased access to modern energy in ACP countries, which has been financed with resources from EDF-g. The work within the Executive Committee has involved forms of work such as decisions on a number of projects, mostly within the energy field. Thanks to its experience of working with the energy sector in Africa, Sida has been able to make a valuable contribution, above all pushing the issues of ownership and application of the Paris Agenda. During 2007 reviews were carried out of both the EU's water initiative (EUWI) and water facilities in ACP countries, and Sweden is working to ensure that both are compatible with the principles of the Paris Agenda. Sida's secondment of one person to the EUWI secretariat ceased in 2007. The same person is now working as an independent consultant and chairing the working group for financing strategies for the water sector, a position which provides scope for a great deal of influence.

Chaired by Sweden, the EU's expert group for evaluation concluded a number of studies on how the Commission and the Member States have applied the principles of the Maastricht Agreement, i.e. the "Triple Cs": coherence, coordination and complementarity, in development cooperation. The studies have led to Council conclusions to provide aid for effective implementation of these and the EU's code of practice for division of work and complementarity. During 2007 Sida and the European Centre for Development Policy Management (ECDPM) also arranged a seminar on the implications of the evaluation of the three Cs for Swedish aid, with participants from civil society, the Ministry for Foreign Affairs, the Swedish National Audit Office, the Swedish Parliament's Committee on Foreign Affairs, the Swedish Agency for Development Evaluation (SADEV) and Sida. During 2007 the Commission also produced its first report on coherence among various policy areas, to which Sweden made an active contribution.

Together with the Ministry for Foreign Affairs, Sida has successfully influenced the work in the expert group drawing up proposals for communications on division of work and complementarity within aid. The Commission's proposal to the Council and the Council conclusions are essentially based on previous work within the framework of Nordic+. Sida considers that this success was largely due to coordinated work with like-minded countries in the EU.

International organisations

Table 22. **Contributions to international organisations, SEK million**

	2005	2006	2007
UN-ORGANISATIONS			
UN programmes and funds			
ECLAC, Economic Commission for Latin America and the Caribbean	2,9	0	5,5
ESCAP, Economic and Social Commission for Asia and the Pacific	19,7	0	0
IFAD, International Fund for Agricultural Development	3,7	4,8	3
ITC, International Trade Centre	13,8	22,4	21,4
Habitat/UNCHS, United Nations Human Settlements Programme	23,2	82,2	100,9
UNAIDS, Joint UN Programme on HIV/AIDS	7,1	2,5	14,3
UNCTAD, United Nations Conference on Trade and Development	4,8	3	7,4
UNDP, United Nations Development Programme	481	1 032,8	820,4
UNEP, United Nations Environment Programme	37,4	18,9	42,3
UNFPA, United Nations Population Fund	81,4	42,7	51,8
UNHCR, Office for the United Nations High Commissioner for Refugees	41,7	34	86,7
Unicef, United Nations Children's Fund	519,5	651,1	665,4
UNIFEM, United Nations Development Fund for Women	37,4	51,6	44,8
UNMAS, United Nations Mine Action Service	5	5	5
UN-DHA/UNOCHA, United Nations Office for the Co-ordination of Humanitarian Affairs	147,5	110,2	103
UNDCP/UNODC, United Nations Office on Drugs and Crime	0	9	14,5
UNRISD, United Nations Research Institute for Social Development	13	22	15
UNRWA, United Nations Relief and Works Agency	0	43,8	70
UNSC, United Nations System Staff College	0	0,1	3
UNV, United Nations Volunteers	0,2	0	4
WFP, World Food Programme	160,8	6,7	23
Total	1 600,1	2 142,8	2 101,4
UN sector agencies			
FAO, Food and Agricultural Organisation	119,4	215,6	192,5
ILO, International Labour Organisation	69,2	62,7	75,7
IMO, International Maritime Organisation	2,5	1,9	3,3
PAHO, Pan American Health Organisation	33,8	30,8	49,4
UNESCO/IIEP, United Nations Educational, Scientific and Cultural Organisation/International Institute for Educational Planning	46,3	74,9	49,5
UNIDO, United Nations Industrial Development Organisation	1,9	0	0,9
WHO, World Health Organisation	246,4	215,5	200
Total	519,5	601,4	571,3
Other UN agencies			
ICTP, International Center for Theoretical Physics	7	5	5
UN/WIDER, World Institute for Development Economics Research	0	7	6,5
UNHCHR/OHCHR, United Nations Office of the High Commissioner for Human Rights	32,2	47,7	0,8
UNISDR, United Nations International Strategy for Disaster Reduction	0	7,5	8,1
United Nations Foundation	0	2	0,5
University for Peace	9	7,3	7
UN-LIREC, United Nations Centre for Peace, Disarmament and Development in Latin America and the Caribbean	0	4	4
UN-MIK, United Nations Interim Administration Mission in Kosovo	0	11,3	-3,4
UNOPS, United Nations Office for Project Services	9	0	59,7
UNTCA, United Nations Technical Cooperation Activities	-3,9	6,5	6,4
UN Statistics Division	4	5	3,9
UNDESA, United Nations Department of Economic and Social Affairs	0	0	0,5
UNDPA, United Nations Department for Political Affairs	0	0	3,6
Others	1,9	0	0
Total	59,2	103,3	102,6
TOTAL UN	2 178,80	2 847,5	2 775,3

Table 22. **Contributions to international organisations, SEK million (continued)**

	2005	2006	2007
EU			
Council of Europe	4,7	2,9	2,5
European Commission	4	20	0
TOTAL EU	8,7	22,9	2,5
IMF, WB, WTO AND REGIONAL DEVELOPMENT BANKS			
IMF, International Monetary Fund	11,1	0	1,8
WB/IBRD/IFC, World Bank/International Bank for Reconstruction and Development/International Finance Corporation	459,5	906,6	898,6
WTO, World Trade Organisation	14	4	8
AsDB, Asian Development Bank	202,1	102,2	61,3
EBRD, European Bank for Reconstruction and Development	6	70,8	54,3
IADB/IDB, Inter American Development Bank	29,4	4,1	10,8
Nordic Investment Bank	41	55	47,9
AfDB, African Development Bank	0	0	18,3
TOTAL, IMF, WB, WTO AND REGIONAL DEVELOPMENT BANKS	763,1	1 142,7	1 101,0
OTHER MULTILATERAL ORGANISATIONS			
Cifor, Centre for International Forestry Research	2,9	4,6	6,3
CIP, International Potato Centre	6,6	6,6	7
ECOWAS, Economic Community of West African States	0	3,6	3
ICIPE, International Centre of Insect Physiology and Ecology	0	12	13,3
ICRAF, World Agroforestry Centre	25,6	25,7	4,3
IOM, International Organisation for Migration	92,3	82,7	81,6
IPGRI, International Plant Genetic Resources Institute	4,2	5,2	5,2
ITTO, International Tropical Timber Organisation	0	0	0,2
IUCN, International Union for the Conservation of Nature and Natural Resources (World Conservation Union)	42,1	57,8	42
MRC, Mekong River Commission	13,9	11,6	14,9
OAS, Organisation of American States	33,4	52,1	27,2
OECD, Organisation for Economic Co-Operation and Development	11,8	12,3	15,9
OSCE, Organisation for Security and Co-Operation in Europe	12,5	5,3	10,5
SADC, Southern African Development Community	7,6	13,6	9
TI, Transparency International	3,8	4,5	7,9
WARDA, West Africa Rice Development Association	3,3	3,3	3,3
WMU, World Maritime University	22,6	23,4	20,9
Others*	0	0	51
TOTAL OTHER MULTILATERAL ORGANISATIONS	282,6	324,3	323,5
CONTRIBUTIONS TO INTERNATIONAL NGOS			
AIT, Asian Institute of Technology	15,9	30,7	31,7
AWEPA, European Parliament for Africa	9,7	9,5	9,5
CLACSO, Latin American Council for Social Sciences	18,5	21,6	21,7
CODESRIA, Council for the Development of Economic & Social Science Research in Africa	0	21,3	18
IIED, International Institute for Environment and Development	9	12,9	19,2
ICRC, International Committee of the Red Cross	265	312,8	340
IPPF, International Planned Parenthood Federation	85,3	110	105
Lutheran World Federation	88,7	47	34,7
Mines Advisory Group	24,4	0	0
Save the Children	27,9	54	33,3
Others	524,3	753,7	765,4
TOTAL CONTRIBUTIONS TO INTERNATIONAL NGOS	1 068,7	1 373,5	1 378,5
CONTRIBUTIONS TO PUBLIC-PRIVATE PARTNERSHIPS			
Global Alliance for Vaccines and Immunisations (GAVI)	104,3	100	100
Global Water Partnership (GWP)	11	12	12
Global E-Schools and Communities Initiative (GeSci)	0	0	4,6
TOTAL CONTRIBUTIONS TO PUBLIC-PRIVATE PARTNERSHIPS	115,3	112,0	116,6
TOTAL INTERNATIONAL ORGANISATIONS	4 417,2	5 822,9	5 697,4

* Formerly reported under International NGOs, Others.

Policy area: Foreign and security policy

2007



Activities to promote peace and security and prevent conflict

Sida will recruit, train and equip the personnel the Government decides should be made available for international peace-keeping, promotion of security and conflict-prevention activities, and implement the contributions approved by the Government. Sida will be able to make suitable personnel available at short notice. Furthermore, Sida will administer Swedish participation in relevant missions, secretariats and institutions.

At the Government's request, Sida has made personnel available for peace-keeping and crisis-management missions. Before these people were dispatched, Sida organised training and exercises. The Folke Bernadotte Academy (FBA) was invited to participate in a number of training sessions in order to increase opportunities for exchange of experience. Sida has taken part in meetings of FBA's reference groups once a month and in the cooperation forum for training issues on two occasions. This collaboration has enabled exchange of information among agencies and the development of processes to support the Academy in producing materials for courses and training programmes. Sida has contributed a total of eleven participants to FBA's training programmes. These

people have been trained to be ready for future assignments within peace-keeping and conflict-management missions. The Director-General of Sida is a member of FBA's Advisory Council.

For part of 2007 Sida had one person from FBA on site and able to participate in and learn from activities. A joint agreement concerning the transition was signed during the autumn. The personnel stationed abroad who were affected were then contacted and the necessary extensions to fixed-terms appointments were made until no later than 31 December 2007, in order to ensure that the activities were not affected by loss of continuity and effectiveness.

Sida's resource base register of personnel qualified for peace-keeping work has been handed over to the FBA.

Cooperation in the Baltic Sea region

Sida will create opportunities for government agencies, municipalities, regions and NGOs in Sweden to maintain, supplement and develop forms of cooperation, first and foremost with the new EU member countries in the Baltic Sea region.

The Baltic Sea region is a region which continues to experience rapid change and development. Cooperation and integration work are shaped by EU membership for most of the countries in the region, and are therefore linked to access to the Union's various programmes and financing instruments.

Sida's work in the Baltic Sea region has continued to develop in its second year, primarily focusing on supplementing and reinforcing the other activities being carried out in the region, with the emphasis on the Baltic States and Poland. An independent analysis of the activities shows activities which are well suited to the task in hand and demand in terms of stimulating continued development of coordination and integration among the countries in the Baltic Sea region.

During the year activities were expanded to include extra tasks. Special attention was given to monitoring, exchange of knowledge and disseminating experience of EU-related cooperation projects. In collaboration with the Swedish Agency for Economic and Regional Growth (NUTEK) and the Swedish Association of Local Authorities and Regions, Sida initiated and implemented basic planning of this work area. A framework programme for the task was also adopted comprising four main activities: information, programme administration, thematic monitoring and dissemination of results, plus methods development and process evaluation. Action plans have been established for all activities, and work is under way.

During 2007 Sida approved financial aid totalling SEK 18 million for 118 contributions in this operational area. The total outcome for the year was SEK 18 million.

The majority of the approved contributions concern the three priority sector areas environment, civil security, and health and social issues. As well as the three main areas, a small number of measures have been granted assistance based on an assessment from a general integra-

tion and coordination perspective. On the one hand the contributions support forums for exchange of experience among countries and, on the other, direct projects.

The number of enquiries and applications has doubled in principle compared with 2006, which is reflected in the number of approved applications, which has increased from 65 to 118. The majority of this increase has taken place within the environmental area but there has also been an increase in demand for health and social issues, particularly in the latter part of the year. Around half of the contributions granted assistance have the aim of continuing in one of the EU programmes which became open for applications during the year.

In addition to the applications granted financial assistance, contacts and enquiries concerning coordination activities are also dealt with from both Swedish and international actors in the Baltic Sea region. Consultancy work and activities to disseminate knowledge have been strengthened and stepped up during the year, partly via new appointments and partly via active learning from contribution-financing activities.

During the year Sida started work to provide information to Swedish actors on what the EU programme period which started in 2007 means for both current transboundary programmes and national programmes in the respective countries. Two publications have been produced under the heading "Den Nya Kartan" [the new map] and meetings have been held, arranged both by Sida and in conjunction with other parties, including Swedish Baltic Sea Day, Almedalen Week and at Bok- och Biblioteksmässan, the annual books and libraries fair, which focused in 2007 on Estonia. In collaboration with other actors, for example the Swedish Association of Local Authorities and Regions, Sida has also been involved in a number of seminars and meetings with a view to exploring opportunities for closer cooperation in the Baltic Sea region.

Internal management

2007



Internal efficiency

There have been both positive and negative developments in Sida's internal efficiency in 2007. The basic principle is that the greater the outcome and the longer the duration of agreement per contribution, the fewer the resources required, resulting in higher internal efficiency. It is therefore positive that Sida's total number of contributions is falling and that the average outcome per contribution is increasing. On the negative side, there are a small number of contributions which are raising the average outcome, rather than the increase being evenly distributed across more contributions. In addition, the duration of agreement for the contributions is generally becoming shorter, which undermines internal efficiency.

Three indicators are presented for Sida's internal efficiency: composition of the contributions portfolio, breakdown of personnel time, and administrative expenses per operational area. The contributions portfolio is reported over three years, while the breakdown of personnel time and administrative expenses are only reported for 2007. This is because the latter two indicators are not comparable with previous years, as the selection and collation method have changed during 2007.

Sida's contributions portfolio

As in previous years, in order to monitor composition of the contributions portfolio Sida has selected the following average measures per contribution: outcome, agreed amount and duration of agreement. Median values for agreed amount and duration of agreement per contribution are included for the first time this year, and are also used for new contributions, with the exception of average outcome, as this measure does not provide any relevant information until the contribution has been completed. These measures are of course affected by the appropriation for the respective year, any restrictions on expenditure and agreements already entered into.

Table 23 shows that the total number of contributions has fallen by more than 5 per cent compared with 2006. The average outcome per contribution has increased by 3 per cent, while the average duration of agreement has fallen in relation to 2006. The median values for agreed amount and duration of agreement per contribution are lower than the average measures, indicating that a small number of contributions with higher agreed amounts and longer durations of agreement are raising the average values. Sida's new contributions in 2007 have fallen in number compared with 2006. The average agreed amount and duration of agreement have also fallen, and the median values for agreed amount and duration of agreement are lower than the average values. Contributory factors in this trend include the country focusing, which has resulted in a delay in entering into new agreements until new country strategies have been established.

Table 24 shows that the average outcome per contribution has increased for most operational areas. Among the operational areas which have experienced a fall in outcome, the reduction is greatest for Information, and

Table 23. Internal efficiency, total overview

All Sida's contributions	2005	2006	2007
Number of contributions	5 421	5 309	5 044
Average outcome per contribution, SEK '000	2 559	2 962	3 056
Average agreed amount per contribution, SEK '000	10 515	12 700	13 607
Median agreed amount per contribution, SEK '000	-	-	5 000
Average duration of agreement, months	40	43	43
Median duration of agreement, months	-	-	37
Sida's new contributions			
Number of new contributions	1 492	1 329	1 242
Average agreed amount per new contribution, SEK '000	10 293	13 119	8 423
Median agreed amount per new contribution, SEK '000	-	-	2 092
Average duration of agreement per new contribution, months	22	22	21
Median duration of agreement per new contribution, months	-	-	17

Eastern Europe and Central Asia. As a result of cooperation with Russia being phased out, the contributions have become both shorter and significantly smaller, which brings down the average outcome for the operational area as a whole. This measurement is not relevant for concessionary credits as reversals exceed disbursements for the year.

It is clear from Table 25 that the average agreed amount and duration of agreement per new contribution have fallen for most operational areas. This is in line with the effects of the country focusing on the outcome of the operational areas. Exceptions are Concessionary credits, Information, Humanitarian contributions and conflict-related activities, and the Middle East and North Africa, which have a higher agreed amount per new contribution. Where the average duration of agreement is concerned, this has however increased for Global development programmes, Research, Humanitarian contributions and conflict-related activities, and Concessionary credits. For all the operational areas, the median for agreed amount per new contribution is below the average amount. The

Table 24. **Internal efficiency**, all contributions by operational area, outcome

Operational area	Average outcome per contribution, SEK '000		
	2005	2006	2007
Africa	2 714	3 399	3 303
Asia	2 536	2 938	3 671
Middle East and North Africa	1 618	2 505	2 782
Latin America	2 061	2 134	2 392
Eastern Europe and Central Asia	1 482	1 804	1 453
Global development programmes	1 791	2 282	2 484
Research	3 994	3 850	5 070
Humanitarian contributions and conflict-related activities	4 512	5 511	5 513
Concessionary credits	5 375	167	-3 089
NGOs	7 734	8 984	9 792
Information	2 707	2 263	1 184
Average, total *	2 559	2 962	3 056

*Includes all Sida's contributions.

Table 26. **Internal efficiency**, all contributions by region, outcome

Regions	Average outcome per contribution, SEK '000		
	2005	2006	2007
Sub-Saharan Africa	3 053	3 647	3 798
Asia including North Africa	3 021	3 113	3 342
Latin America	2 332	2 677	2 793
Europe, ODA countries*	1 811	2 069	2 073
Europe, non-ODA countries*	1 005	920	677
Global	2 364	2 929	2 972
Average, total **	2 559	2 962	3 056

* In 2005 Belarus and Ukraine were included in Europe, non-ODA countries.

In data for 2006 and 2007 they are included in Europe, ODA countries.

** Includes all Sida's contributions. A contribution may be included under one or more regions but no contributions are counted twice in the total.

Table 25. **Internal efficiency**, new contributions by operational area, agreed amount and duration of agreement

Operational area	Average agreed amount per new contribution, SEK '000			Median agreed amount per new contribution, SEK '000 2007	Average duration of agreement per new contribution, months			Median duration of agreement per new contribution, months 2007
	2005	2006	2007		2005	2006	2007	
Africa	13 560	20 364	10 912	3 000	25	26	23	19
Asia	18 774	21 561	13 705	6 750	31	29	26	28
Middle East and North Africa	4 868	8 566	8 717	4 148	18	18	17	17
Latin America	9 690	7 171	4 839	3 407	24	23	18	17
Eastern Europe and Central Asia	5 337	6 994	6 089	1 571	21	25	23	18
Global development programmes	5 554	8 045	6 448	1 100	20	20	21	17
Research	13 053	26 202	15 062	4 221	24	23	30	29
Humanitarian contributions and conflict-related activities	13 928	15 771	16 627	5 000	20	23	23	21
Concessionary credits	44 106	1 164	32 250	11 500	18	17	36	29
NGOs	22 286	40 031	3 274	1 500	19	21	16	13
Information	2 747	1 312	1 939	1 482	10	12	12	11
Average, total *	10 293	13 119	8 423	2 092	22	22	21	17

*Includes all Sida's contributions.

Table 27. **Internal efficiency**, new contributions by region, agreed amount and duration of agreement

Regions	Average agreed amount per new contribution, SEK '000			Median agreed amount per new contribution, SEK '000 2007	Average duration of agreement per new contribution, months			Median duration of agreement per new contribution, months 2007
	2005	2006	2007		2005	2006	2007	
Sub-Saharan Africa	14 335	21 475	12 687	4 600	24	25	24	21
Asia including North Africa	14 742	15 899	13 263	5 500	40	43	32	24
Latin America	9 916	10 158	5 576	3 700	25	23	19	19
Europe, ODA countries*	6 762	8 411	6 254	1 800	20	24	24	18
Europe, non-ODA countries*	3 040	1 986	869	170	22	18	11	10
Global	6 155	11 468	6 721	1 457	19	20	21	16
Average, total **	10 293	13 119	8 423	2 092	22	22	21	17

* In 2005 Belarus and Ukraine were included in Europe, non-ODA countries. In data for 2006 and 2007 they are included in Europe, ODA countries.

** Includes all Sida's contributions. A contribution may be included under one or more regions but no contributions are counted twice in the total.

Table 28. **Estimated annual full-time posts by operational area**, expenditure in SEK '000

Operational area	Outcome	Annual full-time posts	Outcome per annual full-time post
Africa	4 441 083	259.9	17 086
Asia	1 835 422	121.8	15 073
Middle East and North Africa	378 399	28.5	13 298
Latin America	1 001 612	76.0	13 178
Eastern Europe and Central Asia	1 556 163	115.4	13 481
Global development programmes	1 909 427	79.6	23 973
Research	978 497	51.0	19 200
Humanitarian contributions and conflict-related activities	2 063 934	31.1	66 388
Concessionary credits	-135 930	8.0	-17 090
Non-governmental organisations	1 302 347	37.2	34 981
Information	37 876	9.5	3 974
Total	15 368 831	818.0	18 788

Table 29. **Administrative expenses by operational area**, expenditure in SEK '000

Operational area	2007
Africa	302 063
Asia	136 841
Middle East and North Africa	32 597
Latin America	81 353
Eastern Europe and Central Asia	115 609
Global development programmes	82 641
Research	51 601
Humanitarian contributions and conflict-related activities	31 306
Concessionary credits	8 085
Non-governmental organisations	37 844
Information	9 688
Total	889 627

same applies to the median for duration of agreement with the exception of Asia, where it is higher, which suggests that the majority of the new contributions within the framework of the Asia operational area are being allocated more time for implementation.

Inter-year comparability in Tables 26 and 27 is affected by the fact that Belarus and Ukraine were not included in Europe, ODA countries until 2006; before then they were included in Europe, non-ODA countries. The average outcome per contribution has increased in all regions except Europe, non-ODA countries, where the fall is an effect of the reduction in Swedish development cooperation with the countries in this region. The average agreed amount and duration of agreement per new contribution have fallen. This is partly because some countries are being phased out and no new cooperation strategies have been established. The median for agreed amount per new contribution for all regions is lower than the average amount, which suggests that a small number of more expensive contributions are raising the average amount. The same applies to the median for duration of agreement, with the exception of the Latin America region, where it is unchanged compared with previous years.

Sida's annual full-time posts

Table 28 compares the breakdown of personnel time by operational area with how much aid has been disbursed to the respective operational area.

The operational areas Humanitarian contributions and conflict-related activities, and NGOs have relatively high outcomes in relation to number of personnel. This is linked to the specific natures of these operational areas, with development cooperation largely comprising direct economic aid rather than personnel resources.

Administrative expenses

Sida's administrative expenses are mainly personnel costs. In order to measure the breakdown of personnel

resources, since 2001 Sida has carried out a time study which breaks down personnel time by operational area. Until 2007 this study only included personnel working directly with aid but, in order to obtain a more complete picture of how Sida allocates its resources, from 2007 the study covers all Sida's personnel. The new selection and collation methods have resulted in the addition of around 270 annual full-time posts in the study.

The results of the time study are used to compile the breakdown of expenses by operational area as shown in Table 29. The expenses vary greatly as a result of the operational areas covering different types of activities, which vary in scope and require different personnel resources.

Equality and personnel policies

The gender distribution of personnel at Sida is currently 63 per cent women and 37 per cent men, which is slightly over the 60/40 limit which is the usual target for a gender-neutral organisation. Sida's opportunities for influencing this figure are relatively small, as the agency must comply with legislation stipulating that appointments must be made on the basis of merit and proficiency. As a greater number of well-qualified women than men apply to work at Sida, this results in more women than men being appointed to posts. Sida applies positive discrimination where two candidates for the same post are equally well qualified. External recruitment processes encourage men to apply to work at the agency.

Sida appointed eleven managers during the year: six women and five men. The number of women has fallen by two during the year and the number of men by 17. During 2007 a total of 34 female and 15 male programme officers have been recruited externally.

Sida's job evaluation process has been used as the basis for drawing up definitions of equal and equivalent work ahead of the salary survey carried out for the 2007 salary review. The salary survey indicated a number of suspected unwarranted salary differentials. Following the analysis, 29 people had their salaries adjusted. The job evaluation process also provided the basis for the internal salary statistics for the 2007 salary review.

Sida has included equality in the concept of diversity. The concept of diversity embraces all groups covered by the following anti-discrimination legislation:

- the Equal Opportunities Act
- the Act on Measures against Discrimination in Working Life on Grounds of Ethnic Origin, Religion or other Belief
- the Act on a Ban against Discrimination in Working Life on Grounds of Sexual Orientation
- the Prohibition of Discrimination in Working Life on Grounds of Disability Act.

On the basis of these acts, Sida produced a draft Diversity plan in 2007, containing a definition of the concept of diversity and goals for the work.

Sida's overall goals for its diversity work are as follows:

- Sida shall be characterised by an open exchange of views and respect for people with different personalities, views and backgrounds.
- Sida shall offer its employees equal terms of employment and the same opportunities to enjoy their work and develop themselves. Unwarranted salary differentials will not occur at Sida.
- Decisions on recruitment and human resource development opportunities shall be made on impartial grounds. The point of departure for the composition of the working group shall be heterogeneity and that differences are enriching.
- It shall be possible to combine working at Sida with family responsibilities.
- The personnel composition at Sida shall reflect the composition of society as a whole.
- Discrimination, harassment and other forms of discriminatory behaviour must not occur at Sida.
- The physical and psychosocial working environment shall be suitable for all employees at Sida, in order to prevent the occurrence of work-related diseases and accidents.

The section below describes some of the activities carried out by Sida in 2007:

During the year Sida participated in the project *Mångfald.nu* (Diversity now), led by Inregia AB and financed by EU grants. The project was concluded during the year, and the participants gained both tools and methods for working on these issues. The participants have also been able to create a network for diversity issues among other government agencies.

A diversity seminar with external speakers took place during the year, open to all Sida personnel. The aim of the seminar was to increase awareness and knowledge of diversity issues, and one result may be that some people at Sida gained an increased understanding of the need for diversity and equality.

Human resource management

One of the planned results for Sida's overall learning and competence development for 2007 was that Sida's Human Resources Department should assist in competence development in accordance with the needs of the activities.

In an effort to achieve this result for the organisation's general work on human resource management, work continued to develop coherent training programmes for different target groups and to coordinate the departments'

Table 30. **Personnel statistics**, as at 31 December 2007

	2005			2006			2007		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Form of employment									
Permanent staff	389	259	648	426	263	689	424	247	671
stationed in Stockholm	298	186	323	323	192	515	325	191	516
stationed in Härnösand	6	6	12	7	5	12	6	5	11
stationed at embassies	78	65	143	87	62	149	84	46	130*
other duty stations (EU, Gotland)	7	2	9	9	4	13	9	5	14
Temporary staff	86	42	128	87	36	123	90	39	129
stationed in Stockholm	56	30	86	51	28	79	63	30	93
stationed in Härnösand	2	0	2	2	0	2	4	2	6
stationed at embassies	27	11	38	31	8	39	18	6	24
other duty stations (EU, Gotland)	1	1	2	3	0	3	5	1	6
Staff on leave of absence	70	28	98	61	33	94	68	46	114
in other development cooperation organisations	7	13	20	11	17	28	16	22	38
studying	5	1	6	2	1	3	4	3	7
other reasons	58	14	72	48	15	63	48	21	69
Total number of employees	545	329	874	574	332	906	582	332	914
Posts (excl. staff on leave of absence)									
Management posts	52	56	108	61	51	112	52	46	98
Programme officers	322	229	551	363	233	596	371	220	591
Assistants	99	18	117	89	15	104	90	21	111
Total	473	303	776	513	299	812	513	287	800
Educational levels									
Postgraduate education	26	38	64	31	38	69	38	40	78
Higher education, post-secondary education > 2 years	372	238	610	402	242	644	413	242	655
Post-secondary education < 2 years	30	13	43	32	13	45	26	15	41
Upper-secondary education	106	29	135	100	32	132	96	28	124
Nine-year compulsory school	9	8	17	9	7	16	7	7	14
Average age									
Employees	47	49	48	46	49	48	46	48	47

* Twelve administrative management posts at foreign authorities were transferred to the Ministry for Foreign Affairs on 1 September 2007.

other courses and consultation support within teaching methods, learning and organisation development. The section below contains examples of some of the measures implemented.

Two new programmes have been drawn up for the target group “country strategists” and “controllers in the field”. Carrying out human resource management programmes for country strategists in 2007 has been an important initiative ahead of the extensive work to be done in 2008 on drawing up new cooperation strategies. This initiative has strengthened country strategists in their role of developing the new strategies on the basis of the Government’s new requirements and guidelines, and coordinating the work with a large number of actors within the organisation. As part of the work to strengthen quality assurance in the field, a programme has been introduced for long-term human resource development support. This programme is targeted at personnel with a controller function in the field. Within the framework of this programme, a course with 22 participants from foreign authorities was held at Sida Stockholm in December 2007.

The field’s extended delegation and responsibility with respect to development cooperation has made greater demands of the controller function in the field, and competence within various areas has needed to be strengthened. Quality Assurance (QA) missions have also indicated a need for increased knowledge in the field regarding quality assurance of development cooperation. Knowledge of how field personnel can seek support from the home organisation, for example on legal, financial and results-related issues, procurement, IT tools, etc. has also proved to be important.

Other programmes carried out have focused on the target group of new employees, internal trainers and new section heads. Some courses have also concentrated specifically on Sida’s cooperation partners with a view to strengthening their role as competent partners in development cooperation.

For employees about to embark on a foreign posting (both from Sida and the Ministry for Foreign Affairs)

and for various categories of local employees at foreign agencies, an intensive development project was carried out during 2007 in conjunction with the Ministry for Foreign Affairs with a view to creating joint human resource development initiatives for these target groups. Among other things, a first joint training week for those being posted abroad was held in November 2007, focusing on an integrated procedure between the two organisations as a central theme.

Extensive work has been carried out to formulate strategic goals and results for all of Sida for the years ahead within the area of strategic human resource management. With a view to strengthening how both managers and employees approach and handle human resource management, consultation support has been offered, for example a number of seminars on planning strategic human resource development and implementation of targets and appraisals.

Sida has been involved in the international human resource development network Joint Donors’ Competence Development Network, also known as Train4Dev, for several years. Pursuant to the Paris Agenda, the aim of the network is to increase harmonisation among organisations working on development cooperation by working together within the area of human resource development. The network can point to an increase in the number of joint activities among its member organisations. In order to further strengthen the focus on the results issue, in 2007 Sida increased its involvement in the work to collate and measure the effects of the network’s activities. Sida has also been the driving force in efforts to produce a new website, the aim of which has been to provide further support to the general work on human resource development. Sida has led the work to produce a new website for the Joint Donors’ Competence Development Network, and has taken an active part in evaluating human resource development.

Overall, Sida considers that the above measures have contributed to an increase in the organisation’s overall competence, with positive effects for the results of Sida’s activities.

Notes on the Report on Outcome

2007



Notes on Report on Outcome

GENERAL

The reporting requirements laid down in the Letter of Appropriation for the Swedish International Development Cooperation Agency (Sida) for the budget year 2007 are presented in this Report on Outcome. An overview of Sida's reporting requirements and assignments can be requested from the registry under item number 2007-002859. The financial and statistical information has been taken from Sida's financial planning system, A+ (PLUS).

No change in the classification of operational areas took place between 2005 and 2006. On the other hand, changes were made in 2007. In 2007 the operational areas of Asia, Middle East and North Africa were divided into two operational areas: Asia and Middle East and North Africa.

With the aim of measuring the breakdown of personnel time, since 2001 Sida has conducted a time study in which Sida's full-time equivalent employees (FTES) are classified by operational area and country. One full-time equivalent represents one full-time post. Until 2007 only personnel who worked directly on development were included in the study, whereas the 2007 time study also included administrative personnel. Information on the number of FTES in relation to the outcome per operational area is presented in the chapter on Internal Efficiency. Comparable time studies over three years cannot be presented in view of the changes in collection routines.

In the Income Statement for the year, Sida has broken down administrative expenses by operational area according to a standard method. The breakdown has been done on the basis of the information gathered in the time study on how Sida personnel have allocated their working time to the operational areas. FTES who have worked directly on development cooperation have been broken down by operational area, while administrative personnel have been defined as overheads and classified according to the breakdown of direct personnel. The number of FTES has been related to the administrative appropriation.

The administrative expenses and expenses relating to personnel holding field posts financed from specific appropriations make up Sida's administrative expenses. With effect from 2007 these expenses are reported for the five largest countries for each operational area in terms of expenditure and principal sectors. Owing to the change in collection routine in the time study, it is not possible to make three-year comparisons.

The total expenses for the regional operational areas and Global Development Programmes are included in outcome for posts financed from specific appropriations. Total expenses excluding these are reported in Annex 3.

REVENUES AND COSTS

The outcome for the appropriation for each operational areas is presented in the Report on Outcome. The difference between the outcome stated in the Report on Outcome and the outcome in the Income Statement is explained in Table 31. Revenues and costs for each operational area regardless of source of funding are broken down in Table 32.

POLICY AREA: INTERNATIONAL DEVELOPMENT COOPERATION

Operational areas

There are eleven operational areas in this policy area, which together comprise the appropriations for international development cooperation, bilateral development cooperation. These are Africa; Asia, Middle East and North Africa; Latin America; Eastern Europe and Central Asia; Global development programmes; Research, Humanitarian assistance and conflict-related activities; Concessionary Credits; NGOs and Information.

As in the previous year, countries that the Organisation for Economic Cooperation and Development (OECD) does not count as developing countries, and that therefore may not receive Official Development Assistance (ODA), are also included. Countries that are classified in the annual report as non-ODA countries and with which Sida cooperates are: Estonia, Latvia, Lithuania, Poland, Bulgaria, Romania, the Czech Republic and Russia.

Differences between operational area/main sector and operational area/form of support

The expenses of the operational area of Research differ from the expenses for the main sector of Research. This is due to the fact that contributions from all operational areas are classified under the main sector of Research.

Similarly, the expenses of the operational area of Concessionary Credits differ from the expenses of the form of support of credits. Contributions from all operational areas can be classified under the form of support of credits.

PRINCIPLES OF SELECTION

1. Reporting in relation to targets for the regional operational areas

Sida reports outcome in relation to targets in its strategies by selecting the key target areas for each region. This means the target areas that are contained in the main part of the strategies and given a significant and clear emphasis in these strategies. The outcome of appropriations for the year has also been included. Comments are made on the selection of target areas for each region.

2. Evaluations

The criteria that apply to evaluations presented are

- whether the outcome has or has had great significance for decisions on the focus and design of development cooperation
- whether the outcome contributes to making Sida's work and development cooperation more efficient
- whether the outcome sheds light on effects/results, both positive and negative, of Swedish development cooperation
- whether the evaluation has been carried out together with partners and/or other donors

3. Examples presented

A selection of reported examples are commented on in the texts. A limitation in this respect concerns which examples can be verified, that is to say which results Sida has been notified of and is able to verify for the reporting year in question.

Analysis of outcome

Pending the government decision on concentration of development cooperation, Sida carried out a number of analyses of outcome during the year. Although these analyses were not presented to the Government during 2007, these have been used as material for the annual report.

Deliverables

Deliverables means Sida's contributions.

Regions

Annex 1, Expenses per country and operational area, shows which countries belong to each region.

A contribution may belong to one or more regions in cases in which a distribution template has been used. The outcome is distributed proportionally on the basis of the template used.

Forms of support

The reporting of channels is based on the statistical concept of "implementing channel", as in previous years. Multilateral organisations include UN agencies and the World Bank. Swedish individual organisations include implementing organisations in Sweden, for example government agencies, NGOs and universities and schools. Organisations in partner countries include implementing organisations in the partner

Table 31: Reconciliation between Report on Outcome and Income Statement, (SEK '000)

Income Statement, excl. revenues from appropriations	
Revenues from fees and other payments	55 315
Revenues from grants	4 907
Financial revenues	5 571
Operating expenses including depreciation	-1 049 138
Collection – revenues	68 534
Collection – funds transferred to government budget	-61 516
Funds received from other agencies to finance support	23 873
Other funds received to finance support	132 611
Support provided inc. net financial items	-15 310 657
Total as shown in the Income Statement excl. appropriation revenues	-16 130 498
Of which broken down by operational area in the Report on Outcome, incl. administrative expenses	
Africa	4 590 959
Asia	1 914 527
Middle East and North Africa	401 372
Latin America	1 049 645
Eastern Europe and Central Asia	1 636 501
Global development programmes	1 990 390
NGOs	1 340 191
Research	1 030 097
Humanitarian assistance and conflict-related activities	2 095 240
Concessionary credits	-127 845
Information	47 563
Peace and security-promoting activities	8 491
Cooperation in the Baltic Sea Region	31 961
Total broken down by operational area in the Report on Outcome, incl. administrative expenses	16 009 091
Other policy areas, excl. admin. expenses	23 873
Total including administration	16 032 964
Difference between the Income Statement and total broken down by operational area in the Report on Outcome:	-97 534
The difference consists of the following revenues and expenses:	
Funding received from government agencies to finance support	23 873
Funding provided by funds etc. to finance support	90 610
Expenses for concessionary credits	-325 961
Interest revenues from concessionary credits	58 326
Change in doubtful debts, conditional loans	-13 779
Expenses of soft loans	7 929
Receivables etc. on Sida guarantees for concessionary credits	-40 837
Interest revenues from Sida guarantees for concessionary credits	50 007
Exchange rate differences on Sida's guarantees for concessionary credits	-12 163
Interest revenues from Independent Guarantees	1 388
Collection, net	7 019
Capital gain/loss on sale of fixed assets	173
Other items	-206
Lending (effect on appropriation outcome but not on Income Statement)	56 087
Total	97 534

Table 32. Items in the Income Statement broken down by operational area

	Total	Africa	Asia	Middle East and North africa	Latin America	Eastern Europa and Central Asia	Global development programmes
Operating revenues and expenses							
Other revenues	65 794	18 868	7 868	1 650	4 314	6 726	8 180
Expenses	-1 049 138	-300 863	-125 466	-26 303	-68 787	-107 246	-130 438
Collection activity							
Revenues	68 534	19 654	8 196	1 718	4 494	7 006	8 521
Transferred to government budget	-61 516	-17 641	-7 357	-1 542	-4 033	-6 288	-7 648
Transfers							
Other revenues	156 484	44 875	18 714	3 923	10 260	15 996	19 455
Expenses	-15 310 657	-4 390 667	-1 831 001	-383 861	-1 003 852	-1 565 104	-1 903 554
Total	-16 130 498	-4 625 774	-1 929 046	-404 416	-1 057 605	-1 648 911	-2 005 484

Table 32. Items in the Income Statement broken down by operational area, cont.

	NGOs	Research	Humanitarian assistance and conflict-related activities	Concessionary credits	Information	Peace and security-promoting activities	Cooperation in Baltic Sea Region
Operating revenues and expenses							
Other revenues	5 508	4 233	8 611	-525	195	35	131
Expenses	-87 828	-67 506	-137 309	8 378	-3 117	-556	-2 095
Collection activity							
Revenues	5 737	4 410	8 970	-547	204	36	137
Transferred to government budget	-5 150	-3 958	-8 051	491	-183	-33	-123
Transfers							
Other revenues	13 100	10 069	20 480	-1 250	465	83	312
Expenses	-1 281 722	-985 157	-2 003 830	122 267	-45 488	-8 120	-30 567
Total	-1 350 355	-1 037 909	-2 111 129	128 814	-47 924	-8 555	-32 204

countries, for example Tanzania, and organisations in other countries include implementing organisations from the rest of the world, for example Norway. International NGOs include, for example, the International Committee of the Red Cross (ICRC).

Sector classification

In Annex 2, International development cooperation by main sector and region, the outcome is broken down by region/country and the Sida-specific main sectors of health; education; research; democratic governance and human rights, conflict, peace and security; infrastructure, trade, industry and financial systems; natural resources and the environment; budget support for poverty reduction and other sectors.

The sector classification of each project is to be based on the area/sector the project aims to develop.

Reporting of the number of contributions

The definition of the number of contributions has not changed in comparison with the previous year. The number of valid contributions for a single year is defined as all contributions that, according to the period stated in the agreements, have taken place at some time during the year and where the status of the contribution is agreed or completed.

The number of new contributions is the number of contributions agreed during the year.

POLICY AREA: FOREIGN POLICY AND SECURITY POLICY

In this policy area there are two operational areas for Sida: Promotion of Peace and Security and Conflict Prevention Activities, and Cooperation in the Baltic Sea Region.

Financial documents

2007



Comments

APPROPRIATIONS

According to the appropriation directions for the 2007 budget year, Sida's allocated funds under Appropriation 7 8:1 Development cooperation is SEK 15 704 300 000. A limit on expenditure for this appropriation has been imposed on Sida which is higher than allocated funds as it includes appropriation savings brought forward. The limit on expenditure means that the total appropriation charge relating to the 2007 budget year on Appropriation 7 8:1 Development cooperation must not exceed SEK 15 715 979 000, of which SEK 271 679 000 relates to funds on Appropriation Item 7 8:1 26:2 Eastern Europe and Central Asia, non-ODA countries.

In 2007 Sida utilised 97.7% of the appropriation for development cooperation taking account of the limit on expenditure and 97.9% of the appropriation for administration.

Approximately SEK 357 556 000 of the expenditure limit remains. The residual sum is located principally in the appropriation items of Concessionary Credits and Africa. The high transfer sum carried forward on the appropriation item Africa is explained by delays in preparations, payments deferred for various reasons and a delayed procurement. A reversal of Concessionary Credits has resulted in a negative outcome on this appropriation, see Notes 20 and 33.

Outcome for Sida's main appropriations

at 31.12.2007 amounted to (amounts in SEK '000):

7 8:1 Development cooperation, outcome	15 358 423
Limit on expenditure	15 715 979
Outcome relative to limit on expenditure	97.7 %
of which	
7 8:1 26:2 Eastern Europe and Central Asia, non-ODA countries, outcome	263 452
Limit on expenditure	271 679
Outcome relative to limit on expenditure	97.0 %
7 8:2 Swedish International Development Cooperation Agency	620 723
Available funds	634 344
Outcome relative to available funds	97.9 %

1. ODA = Official development assistance. Non-ODA countries refers to countries in Central and Eastern Europe, i.e. support for these countries is not classified as development cooperation.

GUARANTEE COMMITMENTS

Under the appropriation directions for the 2007 budget year, Sida has to report its guarantee commitments in accordance with the recommendations contained in the report of the Swedish National Debt Office (09.03.2005, ref. no. 2004/671) on joint expense and risk reporting for government agencies.

In 2006 Sida reported its guarantee commitments pertaining to guarantees for concessionary credits in accordance with the recommendations. On the other hand, the commitments for separate guarantees are reported as contingent liabilities. This year all types of guarantee commitments are reported in accordance with the recommendations contained in the National Debt Office report and the contingent liabilities for the guarantees have been omitted.

Sida guarantees for concessionary credits (SEK '000)	31.12.2007	31.12.2006
Issued during the year:		
– guarantee commitments	145 000	685 000
– guarantees	3 000	130 000
Outstanding:		
– commitments	992 000	972 000
– guarantees	773 000	1 133 000
Total guarantees for concessionary credits	1 765 000	2 105 000
Independent guarantees (SEK '000)	071231	061231
Issued during the year:		
– guarantee commitments	245 000	0
– guarantees	0	0
Outstanding:		
– commitments	245 000	0
– guarantees	147 920	153 770
Total independent guarantees	392 920	153 770

Sida's total engagement (commitments and guarantees) was SEK 2 157 920 000 at 31.12.2007. Its engagement at 31.12.2006 totalled SEK 2 258 770 000.

Sida's guarantees for concessionary credits

At the end of the year Sida had outstanding commitments and guarantees in 24 countries. Its obligation was greatest in Sri Lanka (SEK 810.4m) and China (SEK 311.8m), followed by Vietnam (SEK 160m). No new guarantee commitments were issued during the year, on the other hand an existing commitment was increased by SEK 145m. During 2007 Sida paid SEK 41m (SEK 53m in 2006) in compensation to Swedish exporters and lenders, relating principally to Zimbabwe and Pakistan. Recoveries of SEK 198m were distributed in 2007 (principally from Angola), but net recoveries decreased sharply during the year as a large proportion of the distributed sums were already received and carried as a standard revenues item in 2006. The outcome for 2007 was SEK 111m compared with SEK 168m in 2006. The decrease is principally due to the reduced net recovery. The valuation of risk is commented on in Note 23.

Independent guarantees

The Swedish Government has authorised Sida to undertake trial activity with independent guarantees. The trial period began on 11 March 1999 and after being extended runs to 31 January 2009. The Government has given Sida a framework for the guarantees amounting to SEK 1 000m. Sida has three obligations comprising the Africa Infrastructure Fund (AIF) for the funding of infrastructure investments in Africa (SEK 70m), reconstruction of the harbour in Maputo to facilitate Mozambique's foreign trade (USD 12m, approx. SEK 77.22m) and an exchange risk guarantee for transmission investments to improve access to electrical energy in Namibia (SEK 0.7m). Two commitments were added in 2007. One relates to a fibre-optic cable project in Angola to improve telecommunications (SEK 200m) and the other relates to InfraCo, which develops and owns infrastructure projects, which are then sold to the market (SEK 45m). The valuation of risk is commented on in Note 23.

Income Statement (SEK 000')

	Note	01.01.2007 –31.12.2007	01.12.2006 –31.12.2006
OPERATING REVENUES			
Revenues from appropriations	1	983 818	977 007
Revenues from fees and other payments	2	55 315	61 404
Revenues from grants		4 907	2 895
Financial revenues	3	5 571	3 722
Total		1 049 612	1 045 028
OPERATING EXPENSES			
Personnel costs	4	–646 018	–607 851
Costs of premises	5	–121 058	–142 800
Other operating expenses		–250 149	–258 773
Financial costs		–5 291	–4 567
Depreciation and write-downs	11,12	–26 622	–34 654
Total		–1 049 138	–1 048 645
OPERATING OUTCOME		474	–3 618
FEES ETC. COLLECTED			
Revenues from fees etc. and other revenues not at Sida's disposal		68 534	52 671
Revenues from fees etc. transferred to the government budget		–61 516	–43 816
Balance of fees etc. collected	35	7 019	8 855
TRANSFERS	1		
Funds received from government budget to finance grants		15 238 182	15 312 364
Funds received from government agencies to finance grants		23 873	23 439
Other funds received to finance grants	6	132 611	456 414
Financial revenues	7	114 764	71 752
Financial costs	8	–22 580	–31 105
Grants provided	9	–15 402 841	–15 954 225
Balance of transfers		84 010	–121 361
CHANGE IN EQUITY FOR THE YEAR	10	91 502	–116 123

Balance sheet (SEK '000)

	Note	31.12.2007	31.12.2006
ASSETS			
Intangible fixed assets			
Capitalised expenditure on development		9 289	8 447
Rights and other intangible fixed assets		10 956	16 889
Total intangible fixed assets	11	20 245	25 336
Tangible fixed assets			
Improvements to non-Sida property		16 163	21 542
Machinery, plant, equipment etc.		48 364	62 982
Advance in respect of tangible fixed assets		0	241
Total tangible fixed assets	12	64 528	84 765
Financial assets			
Long-term receivables from other agencies		900 000	500 000
Other Long-term receivables		122 389	148 960
Total financial assets	13	1 022 389	648 960
Lending	14	293 394	273 535
Receivables			
Accounts receivables		1 015	1 225
Receivables from other agencies		76 807	188 081
Other receivables		111 140	106 121
Total receivables	15	188 962	295 427
Cut-off items			
Prepaid expenses		12 975	20 278
Accrued income from grants		602	6
Other accrued income		46 289	22 319
Total Cut-off items	16	59 866	42 602
Settlement with Swedish Government	17	250 511	196 179
Current investments	18	174 524	140 220
Cash and bank balances			
Balance of interest account at the National Debt Office		38 244	61 931
Other balances at the National Debt Office		1 746 357	2 253 168
Cash, plusgiro and bank balances		20 587	33 526
Total cash and bank balances	19	1 805 187	2 348 625
TOTAL ASSETS		3 879 607	4 055 650

	Note	31.12.2007	31.12.2006
CAPITAL AND LIABILITIES			
Agency capital			
Government capital	20	2 304 364	2 606 410
Change in capital brought forward	21	546 282	575 591
Change in capital according to Income Statement	10	91 502	-116 123
Total agency capital		2 942 148	3 065 878
Provisions			
Provisions for pensions and similar commitments	22	4 120	2 708
Other provisions	23	400 100	411 200
Total provisions		404 220	413 908
Liabilities etc.			
Loans at the National Debt Office	24	82 455	108 569
Liabilities to other agencies		140 950	117 125
Accounts payable		154 175	160 001
Other liabilities	25	83 222	139 418
Total liabilities etc.		460 802	525 112
Cut-off items			
Accrued expenses		47 097	45 100
Unused grants		7 720	5 652
Other deferred income		17 620	0
Total cut-off items	26	72 437	50 752
TOTAL CAPITAL AND LIABILITIES		3 879 607	4 055 650
CONTINGENT LIABILITIES			
Loans to personnel in the field		96	661
Conditional loans		58 117	4 259
Depreciation loans		0	175
Contingencies		7 883	4 283
TOTAL CONTINGENT LIABILITIES	27	66 096	9 379

Appropriations account (SEK '000)

REPORTING IN RELATION TO APPROPRIATION

Appropriation	Designation	Note	Opening transferred balance	Allocation for the year acc. to approp. dir.	Re-allocations	Withdrawal	Total amount available	Expenditure	Closing balance
			Not 28	Not 29					
7 8:1	DEVELOPMENT COOPERATION (Framework appropriation, all appropriation items)								
7 8:1.1	Humanitarian assistance and conflict-related activities	30	123 543	2 007 000	100 000	-164 443	2 066 100	2 063 934	2 166
7 8:1.2	Information		12 499	49 000		-10 639	50 860	37 876	12 984
7 8:1.3	Global development programmes	30	226 031	1 857 500	15 000	-171 776	1 926 755	1 909 539	17 216
7 8:1.5	NGOs	30	146 342	1 295 000	-100 000	-6 742	1 334 600	1 302 347	32 253
7 8:1.6	Asia	30	150 226	1 750 000	135 000	-161 326	1 873 900	1 835 961	37 939
7 8:1.7	Latin America	30	422 103	975 000	-56 000	-297 153	1 043 950	999 263	44 687
7 8:1.9	Africa	30	233 162	4 854 000	-90 000	-152 312	4 844 850	4 442 121	402 729
7 8:1.17	Middle East and North Africa	30	0	384 000	40 000		424 000	378 399	45 601
7 8:1.26	Eastern Europe and Central Asia								
7 8:1.26.1	Eastern Europe and Central Asia, ODA countries	30	3 681	1 159 800	210 000	-61 581	1 311 900	1 293 255	18 645
7 8:1.26.2	Eastern Europe and Central Asia, non-ODA countries	30	21 476	257 500	2 500	-9 797	271 679	263 452	8 227
7 8:1.26	Total Eastern Europe and Central Asia		25 157	1 417 300	212 500	-71 378	1 583 579	1 556 708	26 871
7 8:1.32	Research	30	105 048	939 000	80 000	-106 248	1 017 800	978 497	39 303
7 8:1.33	Concessionary credits	20, 30, 33	305 255	5 000	-165 000	-135 755	9 500	-146 221	155 721
7 8:1	TOTAL DEVELOPMENT COOPERATION	30,31	1 749 366	15 532 800	171 500	-1 277 772	16 175 894	15 358 423	817 471
7 8:2	SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY (Framework appropriation)								
7 8:2.1	Sida (administration)	32	34 254	615 713		-15 623	634 344	620 723	13 621
5 5:2	PEACE AND SECURITY-PROMOTING ACTIVITIES (Framework appropriation)								
5 5:2.3	Sida Operations abroad	30	2 288	5 000	-2 288		5 000	2 194	2 806
5 5:11	COOPERATION IN BALTIC SEA REGION (Framework appropriation)								
5 5:11.1	Cooperation in Baltic Sea Region	34	438	18 168			18 606	17 879	728
24 39:6	BUSINESS DEVELOPMENT IN BALTIC SEA REGION (Framework appropriation)								
24 39:6.6	At Sida's disposal		33 506			-33 506	0	0	0
	TOTAL		1 819 853	16 171 681	169 212	-1 326 902	16 833 844	15 999 219	834 626

REPORTING AGAINST GOVERNMENT BUDGET REVENUE HEADINGS

Revenue heading	Designation	Note	Estimated sum	Revenues
		35		
2394	Other interest expenses			2 663
2511	Office fees			16 750
2811	Other revenues from government operations			42 103
4526	Repayment of other loans			20 650
TOTAL			50 000	82 166

AUTHORISATIONS

Appropriation	Designation	Authorisation limit allocated	Opening commitments	Outstanding commitments 31.12.07	2008	2009	2010	2011-	Total
		Note 36	Note 37	Note 38					Note 38
7 8:1	DEVELOPMENT COOPERATION (Framework appropriation, all appropriation items)								
7 8:1.1	Humanitarian assistance and conflict-related activities	850 000	376 780	527 322	455 640	68 550	560	0	524 750
7 8:1.2	Information	50 000	3 100	7 687	7 487	200	0	0	7 687
7 8:1.3	Global development programmes	2 800 000	1 892 426	1 744 738	1 228 232	388 199	93 666	21 794	1 731 890
7 8:1.5	NGOs	3 500 000	2 079 604	883 120	722 536	159 844	0	0	882 380
7 8:1.6	Asia	4 264 000	3 644 187	2 964 781	1 824 660	845 723	215 357	20 600	2 906 340
7 8:1.7	Latin America	2 400 000	1 252 638	953 638	712 416	216 964	12 700	0	942 080
7 8:1.9	Africa	8 454 387	6 482 357	5 569 286	3 736 224	1 069 873	475 822	182 359	5 464 279
7 8:1.17	Middle East and North Africa	1 036 000	0	207 152	137 040	39 460	0	0	176 500
7 8:1.26.1	Eastern Europe and Central Asia, ODA countries	2 205 613	1 647 541	1 690 765	1 006 450	417 522	164 987	68 488	1 657 447
7 8:1.26.2	Eastern Europe and Central Asia, non-ODA countries	440 000	511 155	133 833	131 164	1 398	0	0	132 562
7 8:1.32	Total Eastern Europe and Central Asia	1 500 000	1 148 455	1 139 809	829 239	248 919	60 988	92	1 139 239
7 8:1.33	Research	500 000	133 089	250 197	238 697	7 350	4 150	0	250 197
	Concessionary credits								
7 8:1	TOTAL	28 000 000	19 171 332	16 072 327	11 029 785	3 464 001	1 028 230	293 334	15 815 350
TOTAL AUTHORISATIONS		28 000 000	19 171 332	16 072 327	11 029 785	3 464 001	1 028 230	293 334	15 815 350

FINANCIAL CONDITIONS (SEK '000)

Appropriation	Designation	Conditions	Type	Max/min	Financial condition	Outcome 2007
LIMITS ON EXPENDITURE						
7 8:1	Development cooperation	Limit on expenditure budget year 2007	Approp. dir.	Max.	15 715 979	15 358 423
7 8:1.26.2	of which Eastern Europe and Central Europe, non-ODA countries	Limit on expenditure budget year 2007	Approp. dir.	Max.	271 679	263 452
7 8:1	DEVELOPMENT COOPERATION (framework appropriation)					
7 8:1	Development cooperation	Field posts	Approp. dir.	Max.	290 000	289 818
		Sida has SEK 12 000m at its disposal for its guarantee activities	Approp. dir.	Max.	12 000 000	2 157 920
		Of which a maximum of SEK 1 000m may relate to independent guarantees		Max.	1 000 000	392 920
		and a maximum of SEK 1m may relate to capital market and import guarantees		Max.	1 000	0
		Minimum SEK 270m relating to trade-related contributions to be charged to appropriation items 3, 6, 7, 9 or 26.1*	Approp. dir.	Min.	270 000	279 329
		Minimum SEK 360m relating to contributions in the area of infectious diseases to be charged to appropriation items 3, 6, 7, 9, 26.1 or 32	Approp. dir.	Min.	360 000	501 205
		– of which SEK 50m, in consultation with the Swedish Research Council, is to be allocated to strengthened support for participation of Swedish research scientists in research and research cooperation relevant to development	Approp. dir.		50 000	56 800
		– of which at least SEK 100m is to be allocated to the Global Alliance for Vaccines and Immunisation (GAVI)	Approp. dir.	Min.	100 000	100 000
		– and at least SEK 70m to programmes of relevant international organisations for pandemic prevention efforts against avian and human influenza (AHI) in poor countries	Approp. dir.	Min.	70 000	70 000
		Minimum SEK 280m relating to contributions in the area of sexual and reproductive health and rights (SRHR) is to be charged to appropriation items 3, 6, 7, 9 or 26.1*	Approp. dir.	Min.	280 000	311 529
7 8:1.1	Humanitarian assistance and conflict-related activities	Humanitarian assistance in Russia in connection with armed conflict in Chechnya and regional delegations of the International Committee of the Red Cross	Approp. dir.	Max.	45 000	38 518
		Maximum SEK 200m may be used for conflict-related activities	Approp. dir.	Max.	200 000	192 695
		Support for field projects of the International Committee of the Red Cross (ICRC)	Approp. dir.	Max.	370 000	370 000
		Support for operations carried out by the Swedish Rescue Services Agency in connection with armed conflicts, natural disasters or other disaster-like situations	Approp. dir.	Max.	160 000	110 000
7 8:1.3	Global development programmes	Minimum SEK 95m in annual grant to International Planned Parenthood Federation (IPPF)	Approp. dir.	Min.	95 000	95 000
		Support for MEDEVAC programme in Östergötland county administrative board	Approp. dir.	Max.	10 000	10 000
		Support through the Swedish political party organisations for building of democracy in developing countries	Approp. dir.	Max.	75 000	74 428
		Support for World Maritime University (WMU), Malmö	Approp. dir.	Max.	27 000	22 291
		Strengthening Sida's involvement in and follow-up of multilateral environmental cooperation	Approp. dir.	Max.	3 000	629
		Contributions in the multilateral environmental field	Approp. dir.	Max.	16 500	9 141
		Support for the Global Water Partnership Organisation (GWPO)	Approp. dir.	Min.	10 000	12 034
		Grant to the UN's Special Voluntary Fund (UNV)	Approp. dir.	Max.	4 000	4 000
		Grant to UN System Staff College	Approp. dir.	Max.	3 000	3 000
		Minimum SEK 10m for follow-up and implementation of the action programme in the framework of UN population conferences, the ICPD agenda	Approp. dir.	Min.	10 000	10 000

Appropriation	Designation	Conditions	Type	Max/min	Financial condition	Outcome 2007
		Sida is to pay the annually negotiated administrative grant (USD 30 542) to the International Tropical Timber Organisation (ITTO).	Approp. dir.		30 542 USD	30 542 USD
		Support for implementation of UN's global chemicals strategy from 2006	Approp. dir.	Max.	15 000	15 000
		Support for environmental cooperation between UNEP and UNDP	Approp. dir.	Max.	9 000	9 000
		Authorisation for Sida to decide on support for World Conservation Union, IUCN (UD2004/60302/GU)	Government decision	Max.	30 000	30 000
7 8:1.5	NGOs	Maximum 10% of allocated funds may be used for information on developing countries (allocation 29.11.07 SEK 1 295 000)	Approp. dir.	Max.	129 500	129 097
7 8:1.6	Asia	Cooperation agreement with Asian Development Bank (ADB) on establishment of a special fund for initiatives in the area of HIV/AIDS and a Swedish contribution to the fund (UD2005/8589UD)	Government decision	Max.	30 000	0
7 8:1.9	Africa	Payment of last remaining grant to African Fund for Capacity Building (AFCB)	Approp. dir.	Max.	15 000	15 000
		Sida is to pay SEK 15m for 2007 as third and last instalments of the Swedish grant to AWF.	Approp. dir.		15 000	15 000
7 8:1.17	Middle East and North Africa	The Government instructs Sida to pay a financial grant of max. SEK 20m to "Mirror Single Treasury Account of PLO"	Government decision	Max.	20 000	20 000
7 8:1.26.1	Eastern Europe and Central Asia, ODA countries	Swedish personnel support for OSCE's activities	Approp. dir.	Max.	13 000	11 058
7 8:1.26.2	Eastern Europe and Central Asia, non-ODA countries	Support through NGOs for information in Sweden	Approp. dir.	Max.	4 000	1 049
7 8:2	SIDA DEVELOPMENT COOPERATION ADMINISTRATION (framework appropriation)					
7 8:2.1	Sida development cooperation administration	Indicative sum for non-ODA countries SEK 30m – of which max. SEK 15m may be used for Sida's Baltic Sea Unit	Approp. dir.	Max.	15 000	14 078
According to the Appropriation Directions, the financing of reconstruction work is preferably to take place through grants to the United Nations and other multilateral institutions. Sida's consumption of appropriations under this condition is to be stated in the annual report. In 2007 Sida paid SEK 123 747m to the United Nations and other multilateral institutions to fund reconstruction work. The payments have been charged to all appropriation items.						

* Sida also reports outcome on appr. item 17, Middle East and North Africa within this condition. The reason is that in previous years Middle East and North Africa were included with Asia in appr. item 6.

Cash flow statement (SEK '000)

	Note	01.01.2007 -31.12.2007	01.01.2006 -31.12.2006
OPERATIONS			
Costs	39	-1 021 102	-1 015 776
Financing of operation			
Revenues from appropriations		983 818	977 007
Revenues from fees and other payments	40	55 140	60 451
Revenues from grants		4 907	2 895
Other revenues		5 571	3 722
Total funds provided for financing of operations		1 049 436	1 044 075
Decrease in current receivables		96 220	-155 619
Decrease in current liabilities		-16 748	117 283
CASH FLOW FROM OPERATION		107 806	-10 038
INVESTMENTS			
Investments in tangible fixed assets		-16 561	-52 104
Investments in intangible fixed assets		-3 663	-5 582
Total investment expenditure		-20 224	-57 686
Financing of investments:			
Loans from National Debt Office		20 892	63 620
- repayments		-47 006	-34 818
Increase in government capital with funds received from government budget		131	27
Sale of fixed assets		19 104	1 531
Total funds provided for financing of investments		-6 879	30 359
Change in current receivables or liabilities		237	1 620
CASH FLOW TO INVESTMENTS		-26 866	-25 707
LENDING ACTIVITIES			
New lending and write-downs		-40 509	136 255
Repayments		20 650	11 435
Total lending expenditure		-19 859	147 690
Financing of lending activities			
Increase in government capital with funds received from government budget		35 437	-133 355
Total funds provided for financing of lending activities		35 437	-133 355
CASH FLOW FROM LENDING ACTIVITY		15 578	14 335
COLLECTION			
Revenues from fees and other revenues not at Sida's disposal		68 534	52 671
Change in current receivables and liabilities		-7 019	-8 855
Incoming payments in collection activity		61 516	43 816
Funds provided to government budget from collection activity		-61 516	-43 816
CASH FLOW TO COLLECTION ACTIVITIES		0	0

	Note	01.01.2007 -31.12.2007	01.01.2006 -31.12.2006
TRANSFER ACTIVITIES			
Development cooperation provided			
Financial revenues	-15 402 841		-15 897 825
Financial costs	114 764		71 752
Change in current receivables and liabilities	-22 580		-31 105
Change in non-current receivables	-17 204		126 449
Disbursements in transfer activities	-373 429	-15 701 290	66 187
Financing of transfer activities			
Funds received from government budget for financing of development cooperation			
Funds received from other agencies for financing of development cooperation	15 238 182		15 312 364
Other funds received for financing of development cooperation	23 873		23 439
Decrease in government capital with funds received from government budget	132 611		456 414
Total funds provided for financing of transfer activities	-279 000	15 115 666	210 000
			337 674
CASH FLOW TO TRANSFER ACTIVITIES		-585 623	
			316 265
CHANGE IN LIQUID ASSETS		-489 106	

	01.01.2007 -31.12.2007	01.01.2006 -31.12.2006
SPECIFICATION OF CHANGE IN LIQUID ASSETS		
Liquid assets at start of year	2 544 804	2 228 539
Decrease in cash and bank	-12 940	3 661
Decrease in balance at National Debt Office	-530 498	199 235
Increase in settlement with Government	54 332	113 368
Total change in liquid assets	-489 106	316 265
Liquid assets at end of year	2 055 698	2 544 804

Summary of key figures (SEK '000)

Loan facility at the National Debt Office

	2007	2006	2005	2004	2003
Approved loan facility	147 500	120 000	104 000	110 000	92 000
Loan facility utilised at end of financial year	82 455	108 569	79 767	94 178	63 355

Credit account at the National Debt Office

	2007	2006	2005	2004	2003
Credit granted at National Debt Office	20 000	20 000	20 000	20 000	19 700
Maximum utilised credit	0	0	0	3 447	0

Interest costs and interest revenues on interest bearing account

	2007	2006	2005	2004	2003
Interest costs on interest bearing account	0	0	0	2	0
Interest revenues on interest bearing account	1 805	1 368	1 025	696	1 092

Revenues from fees

	2007	2006	2005	2004	2003
Fee revenues at Sida's disposal:	9 243	18 166	16 526	18 268	19 365
Estimated sum acc. to appropriation directions	50 000	50 000	50 000	–*	–*
* No sum stated in appropriation directions					
Fee revenues at Sida's disposal:	61 516	43 816	24 868	30 526	30 166
Estimated sum acc. to appr. directions	50 000	50 000	50 000	50 000	50 000

Granted and utilised appropriation credit

	2007	2006	2005	2004	2003
Appropriation credit granted	18 666	18 631	0	397 899	7 400
Appropriation credit utilised	0	0	0	0	0

Appropriation savings (including closing reservations up to 2003) and mortgaged sums

	Note	2007	2006	2005	2004	2003
Appropriation savings/reservations		834 626	1 819 853	1 851 444	2 031 338	1 706 699
Of which committed	34,36	337	672 745	845 376	1 105 282	1 104 883

Outstanding commitments

	Not	2007	2006	2005	2004	2003
Funds authorised		28 000 000	26 505 000	22 987 000	20 472 000	16 110 000
Outstanding commitments	37	16 072 327	19 171 332	17 534 199	13 543 713	13 142 701

Number of full-time equivalents and average number of employees

	2007	2006	2005	2004	2003
Number of full-time equivalents	787	772	749	733	727
Average number of employees	813	794	768	767	764

Operating cost per full-time equivalent

	2007	2006	2005	2004	2003
Operating cost	1 017 225	1 009 424	927 219	884 874	858 930
Operating cost per full-time equivalent	1 293	1 308	1 238	1 207	1 181

Change in capital for the year and change in capital carried forward

	2007	2006	2005	2004	2003
Change in capital for the year	91 502	-116 123	-62 146	-182 289	-252 208
Capital carried forward	546 282	575 591	485 361	458 738	502 817

Notes (amounts in SEK '000)

GENERAL

Sida is obliged to maintain accounts in accordance with the Ordinance (2000:606) on the Bookkeeping of Government Agencies. This annual report has been prepared in accordance with the Ordinance (2000:605) on the Annual Reports and Budget Material of Government Agencies.

ACCOUNTING PRINCIPLES

Receivables have been valued at the amount expected to be received.

Receivables and liabilities in foreign currencies are valued at the prevailing rate on the closing day. Receivables are valued at the buying rate on the closing day, liabilities at the selling rate on the closing day. The balances of foreign agencies at 31 December have been valued for non-convertible currencies at the exchange rate prevailing in December.

Fixed assets are assets for permanent use that have an acquisition cost of at least SEK 10 000 and an economic life of at least three years. For capitalised expenditure on development, a monetary limit of SEK 500 000 is applied. Fixed assets are stated at acquisition cost and are depreciated according to the straight-line method. Depreciation starts from the month the asset is taken into use. The depreciation period for improvements to non-Sida properties is ten years, for computers and intangible assets three years, and for other categories of assets five years.

Sida has a limit of SEK 100 000 for accrual accounting purposes.

Provisions for future pension commitments are calculated as the aggregate value of all decisions according to the actuarial techniques adopted by the National Government Employee Pensions Board (SPV). This value includes special payroll tax.

Expenditure classified as transfers is settled against the appropriation according to the cash principle in those cases where payments are based on decisions on grants or on requisitions received. Invoices received in respect of goods and services that are classified as transfers are settled against the appropriations according to the expenditure principle.

Conditional loans and soft loans have been valued by the Swedish Export Credits Guarantee Board (EKN) in accordance with decision 2008-000041, guidelines for the valuation of Sida's financing instruments.

CHANGES IN ACCOUNTING PRINCIPLES

Under the appropriation directions for the budget year 2007, Sida has to report its guarantee commitments in accordance with the recommendations made in the National Debt Office report (09.03.2005, ref. 2004/671) on joint expense and risk reporting for government agencies.

Sida has reported its guarantees for concessionary credits in accordance with these recommendations since 2006, which has meant that contingent liabilities have been omitted and commitments have been reported in table form among the comments on the financial parts, as well as that all liability and asset items have been included in Sida's balance sheet, and that risk-valued outcome has been reported. With effect from 2007 Sida also follows the National Debt Office's recommendation for separate guarantees.

Sida has made a provision for the actuarially calculated risk relating to separate guarantees in accordance with the Swedish Export Credits Guarantee Board valuation on 31.12.2007. To increase comparability, affected items in the Income Statement and balance sheet have been recalculated at 31.12.2006, equivalent to the risk-valued outcome at 31.12.2006, see Notes 9 and 23.

The previously reported contingent liabilities pertaining to separate guarantees are omitted and replaced by information provided in a table among the comments on the financial parts.

What has previously been reported as deposits has been reclassified as other liabilities. The comparison figure for other liabilities has consequently been adjusted, see Note 25.

What is known as petty cash has previously been reported as cash, plusgiro and bank balances, but with effect from 2007 has been reclassified as other receivables. To increase comparability, affected items in the balance sheet have been recalculated at 31.12.2006, see Notes 15 and 19.

As a consequence of a change of rule in the Ordinance (2006:605) on Annual Accounts and Budget Material and the Appropriations Ordinance (1996:1189), outstanding commitments are calculated in a new way with effect from 2007. The change of rule means that Sida, for the appropriation items where an authorisation facility has been allocated, reports all outstanding commitments at 31 December in authorisation accounting, see Note 36. In previous years part of outstanding commitments, within the framework of appropriations saving, has been reported as committed appropriations saving.

Exemption from financial management rules

With the exception of the Ordinance (1994:14) on the Payments and Administration of Funds of Government Agencies, Sida is permitted under the appropriation directions to hold the following bank accounts:

Account in a commercial bank for urgent cash payments, for payments of letters of credit and for transfers of funds to embassies.

INCOME STATEMENT

Note 1. Relationship between revenues from appropriations according to appropriation accounting and the Income Statement

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Appropriations outcome according to appropriations accounting	15 999 219	16 377 452
Revenues from appropriations according to Income Statement	–983 818	–977 007
Funds received from the government budget for financing of development cooperation	–15 238 182	–15 312 364
Reported in government capital (lending and concessionary credits)	222 913	–88 081
Reported in government capital (works of art)	–131	0
	0	0

Note 2. Revenues from fees and other payments

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Revenues according to Section 4 of Fees Ordinance	9 177	18 078
Revenues from fee-financed operations	66	88
Other revenues from operations	46 072	43 238
Total revenues	55 315	61 404

The decrease in revenues in accordance with Section 4 of the Fees Ordinance is explained by Sida not having had any rental revenues in Angola with effect from 2007.

Note 3. Financial revenues

Financial revenues has increased by SEK 1 850 thousand. Most of the increase is explained by increased revenues pertaining to exchange-rate discounts and is due to new conditions for exchange-rate discounts in the cooperation with the payment intermediaries, SEB and Nordea.

Note 4. Personnel costs

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Total personnel costs	–646 018	–607 851
Of which wages and salaries	–366 942	–347 901

This item has increased by SEK 38 167 thousand (6%) compared with the previous year. The change can be principally explained by the fact that wages and salaries and social security contributions are higher and that the number of employees has increased by 15 full-time equivalents.

Payments to members of the Board and information on their other assignments

Taxable payments (in accordance with Ordinance (1192:1299) on Fees Payable to Members of Government Boards, Committees, Councils etc.) and other benefits paid to Board members in 2007, and details of their assignments as Board or Council members in other government agencies and assignments as Board members in limited companies in accordance with Chapter 7 Section 2 of the Ordinance (2000:605) on Annual Reports and Budget Material.

Member	Taxable payment	Board assignments
Norrfaik, Maria (Director-General to May 2007)	480	Sveaskog AB SwedFund AB
Holmqvist, Göran (Acting Director-General from May 2007)	757	—
Gustafsson, Holger	14	Via Con International AB
Håkansson, Leif	12	National Board of Agriculture Swedish Energy Agency Folksam-LO Fond AB Folksam-LO Fondförsäkrings AB Fora AB AFA Sjukförsäkring AB
Härstedt, Kent	14	Kent Härstedt Information AB
Johansson, Lena	14	Swedish Standards Council Swedish Industrial Design Foundation Sveaskog AB Media Conglomerate AB
Kokko, Ari	14	—
Lundgren, Kerstin	12	Working Committee on Constitutional Reform Press Subsidies Council Energiknippet AB i Södertälje
Nordén, Marie	12	National Service Administration
Ohlsson, Birgitta	10	—
Petri Gornitzka, Charlotte	10	Swedish Research Council
Öberg Lindevall, Marie	12	Capio Diagnostik AB Capio Diagnostik AS Terapikolonier AB
Total payments	1 361	

Reporting of absence due to sickness at Sida

In accordance with Section 3 of the Ordinance (2000:605) on Annual Reports on Budget Material, figures have to be produced on absence due to sickness at the Agency. Absence due to sickness in the table below is expressed as a percentage of the employees' aggregate normal working time for each group.

Absence due to sickness	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Total	2.30 %	2.73 %
of which long-term sick leave (>60 days)	57.24 %	59.43 %
Men	0.98 %	1.61 %
Women	3.06 %	3.41 %
Employees aged >29 years	0.55 %	0.87 %
Employees aged 30–49 years	1.79 %	2.74 %
Employees aged 50+ years	3.09 %	2.89 %

Note 5. Costs of premises

This item decreased by SEK 21 742 thousand in comparison with the previous year. Sida moved to new premises in the autumn of 2006, and the rent on the premises on Valhallavägen is lower than that on Sveavägen.

Note 6. Other funds received for financing of grants

This item decreased by SEK 323 803 thousand in comparison with the previous year. The decrease is principally due to recoveries for Sida's guarantees for concessionary credits having decreased in comparison with 2006, when most of the recoveries from Angola and Pakistan were received and booked as revenues.

Note 7. Financial revenues, transfers

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Interest revenues from concessionary credits	59 713	45 929
Interest revenues from Sida's guarantees for concessionary credits	50 671	22 973
Exchange gains	4 380	2 850
Total financial revenues from transfers	114 764	71 752

Interest revenues pertaining to Sida's guarantees for concessionary credits has increased as a natural consequence of a substantial increase in investments.

Note 8. Financial costs, transfers

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Interest costs on Sida guarantees for concessionary credits	–665	–413
Exchange losses	–21 869	–30 617
Other financial costs	–46	–75
Total financial costs on transfers	–22 580	–31 105

Note 9. Grants provided

Sida did not make any provisions for the estimated risks of separate guarantees in 2006 as they were reported as contingent liabilities at that time. To increase comparability the comparison figure has been adjusted by SEK –28 200 thousand, corresponding to the estimated risk at 31.12.2006 according to the Swedish Export Credits Guarantee Board valuation.

Note 10. Change in capital for the year

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
<i>Operational section</i>		
Repayments*	47 006	34 818
Personnel costs	–4 203	–882
Depreciation	–26 622	–34 654
Other	–15 599	–2 309
Total operational section	582	–3 027
<i>Collection section</i>		
Collection	7 019	8 855
<i>Transfer section</i>		
Conditional loans	–7 314	–13 617
Concessionary credits—gift element	11 321	19 404
Development cooperation credits	4 163	–64 400
Outcome of Sida guarantees for concessionary credits	110 094	168 027
Independent guarantees	3 734	4 633
Other**	–38 095	–235 998
Total transfer section	83 903	–121 951
Change in capital for the year	91 502	–116 123

* Repayments have increased and the operational section has decreased by an equivalent amount due to the sale of equipment to the Ministry for Foreign Affairs, see Note 12. The sale does not affect the Income Statement as it has taken place at residual value.

** The large change in Other in the Transfer section is due to the development cooperation credits (SEK 95 509 thousand) having been valued for the first time in 2006 and the fact that it was also the first time that the Swedish Export Credits Guarantee Board (EKN) valued all Sida's conditional loans (SEK 113 269 thousand). The conditional loans have been valued previously, but EKN has made a lower risk assessment than previously applied by Sida. The comparison figure for 2006 has been adjusted by SEK 28 200 thousand, see Notes 9 and 23.

BALANCE SHEET**Note 11. Intangible fixed assets**

	31.12.2007	31.12.2006
Capitalised expenditure on development		
Opening balance, acquisition value	14 316	14 026
Acquisitions during the year	3 561	290
Closing balance, acquisition value	17 877	14 316
Opening balance of cumulative depreciation	–5 869	–3 198
Depreciation for the year	–2 720	–2 670
Closing balance accumulated depreciation	–8 589	–5 868
Book value	9 289	8 448
Rights and other intangible fixed assets		
Opening balance acquisition value	26 486	21 195
Acquisitions during the year	102	5 319
Reversals – acquisition value (sales/disposals)	–350	–28
Closing balance acquisition value	26 238	26 486
Opening balance of cumulative depreciation	–9 597	–4 964
Depreciation for the year	–5 720	–4 633
Reversed depreciation	35	0
Closing balance accumulated depreciation	–15 282	–9 597
Book value	10 956	16 889
Closing balance of intangible fixed assets	20 245	25 336

Note 12. Tangible fixed assets

	31.12.2007	31.12.2006
Improvements to non-Sida property		
Opening balance acquisition value	25 814	59 903
Reversals—acquisition value (sales/disposals)	–6 480	–45 379
Acquisitions during the year	620	11 290
Closing balance acquisition value	19 954	25 814
Opening balance accumulated depreciation	–4 272	–43 021
Reversal of depreciation (sale/disposal)	2 435	45 199
Depreciation for the year	–1 954	–6 450
Closing balance accumulated depreciation	–3 791	–4 272
Book value	16 163	21 542
Machinery, plant, equipment etc.		
Opening balance acquisition value	137 935	158 689
Acquisitions during the year	16 182	41 859
Reversals—acquisition value (sales/disposals)	–44 503	–62 613
Closing balance acquisition value	109 614	137 935
Opening balance accumulated depreciation	–74 954	–115 985
Reversal of depreciation (sale/disposal)	–16 229	–20 900
Depreciation for the year	29 933	61 932
Closing balance accumulated depreciation	–61 250	–74 953
Book value	48 364	62 982
Advance in respect of tangible fixed assets		
Book value	0	241
Closing balance of tangible fixed assets	64 528	84 765

In January 2007 Sida sold equipment to the Ministry for Foreign Affairs at the residual value of SEK 18.7m, in connection with the Ministry taking over administration of Sida-administered embassies as part of the completion of the administrative integration in the field.

Note 13. Financial assets*Long-term receivables from other government agencies:*

This item is made up of long-term investments in securities at the National Debt Office which are administered by the Swedish Export Credits Guarantee Board (EKN) and form part of EKN's guarantee activity on Sida's behalf. In 2007 EKN made re-investments with the result that the long-term investments at the National Debt Office have increased, while other long-term receivables and cash and bank balances have decreased. The reason for the change is that increased return on the portfolio has been achieved. EKN judges that Sida's payments for damages will not increase dramatically and it is therefore possible to make long-term investments.

Other long-term receivables:

This item is largely (SEK 90 000 thousand) made up of the actuarially calculated net value of indemnified claims in the safety reserve administered by the Swedish Export Credits Guarantee Board (EKN), which is linked to the concessionary credits system. The remaining part of this balance-sheet item is a receivable from Swedfund pertaining to conditional loans (SEK 32 389 thousand). This receivable comprises repayments and interest received which have not yet been reported to Sida from Swedfund.

Note 14. Lending

	31.12.2007	31.12.2006
Lending, development cooperation credits		
Opening balance	173 057	247 961
New lending for the year	6 271	27 395
Repayments for the year	-9 647	-6 789
Change in doubtful debts for the year	3 766	-95 509
Closing balance	173 448	173 057
Lending, development cooperation credits		
Opening balance	100 477	173 264
New lending for the year	56 087	19 332
Correction of previous years' lending		53 749
Repayments for the year	-11 004	-4 646
Depreciation for the year	-5 592	-13 619
Change in exchange-rate differences for the year	-4 815	-520
Change in doubtful debts for the year	-13 779	-113 270
Change in funded conditional loans*	-1 429	-13 813
Closing balance	119 946	100 477
Total closing balance	293 394	273 535

* Pertains to repayments and interest received but not yet reported to Sida from Swedfund. See also Note 13.

Note 15. Receivables

Receivables from other government agencies:

This item decreased during the year by SEK 111 274 thousand. This is due to the receivable from the Swedish Export Guarantee Board (EKN) in the reserve for Sida's guarantees for concessionary credits having decreased by SEK 104 624 thousand. The receivable was unusually high in 2006 as compensation for write-off of liabilities had been paid to EKN but only partly related to Sida. This was settled in 2007.

Other receivables:

This item largely consists of receivables from recipients of guarantees (SEK 95 756 thousand) in the concessionary credits system. The comparison figure for 2006 has been adjusted by SEK +32 thousand due to a reclassification from cash and bank balances pertaining to 'petty cash', which is to be reported as other receivables according to the basic account plan of the Swedish National Financial Management Authority (ESV). See also Note 19.

Note 16. Cut-off items

	31.12.2007	31.12.2006
Prepaid rent*	10 114	17 588
Other prepayments	2 861	2 689
Accrued income from grants, governmental	602	6
Accrued interest income**	23 074	16 069
Other accrued income***	23 215	6 250
Closing balance	59 866	42 602

* Prepaid rent is decreasing due to most of the rent pertaining to UM passing to the Ministry for Foreign Affairs with effect from 2008. The Swedish National Property Board has invoiced the Ministry for Foreign Affairs directly for the 1st quarter of 2008.

** Accrued interest income consists of interest receivables pertaining to UNDP (SEK 11 551 thousand), WHO (SEK 5 414 thousand) and FAO (5 332 thousand).

*** Other accrued income consists of accrued interest income on Sida's guarantees for concessionary credits. The increase is a natural consequence of a substantial increase in investments, see Note 7.

Note 17. Settlement with Government

	31.12.2007	31.12.2006
Opening balance	196 179	82 811
<i>Settled against government budget</i>		
– Appropriations	15 999 219	16 377 452
– Revenue headings	–82 166	–55 251
Settled against government budget total	15 917 052	16 322 201
<i>Settled against government central account at Riksbank:</i>		
– Appropriation funds deposited on interest-bearing account	–600 090	–621 037
– Collection etc.	1 669 194	1 420 760
– Transfers etc.	–16 931 824	–17 008 556
Settled against government central account at Riksbank, total	–15 862 720	– 16 208 833
Settlement with the Government for year	54 332	113 368
Closing balance	250 511	196 179

Note 18. Current investments

This item is made up of current investments in securities administered by the Swedish Export Credits Guarantee Board (EKN) and forms part of EKN's guarantee activity on behalf of Sida.

Note 19. Cash and bank balances

Sida has a credit facility of SEK 20 000 thousand on its interest-bearing account at the National Debt Office. The interest account credit was not utilised.

Other balances at the National Debt Office

This balance-sheet item is made up of provisions to cover possible losses in Sida's operations with concessionary credits, development cooperation credits and separate guarantees. The interest revenues arising on the account was previously part of the financing of concessionary credits. For the past three years interest revenues at the time when the provision is made has not been taken into account, which combined with changes in exchange rates has had the consequence that a surplus has arisen on the account amounting to approximately SEK 583m. Sida wrote to the Government on 18 December 2007 requesting to be allowed to use SEK 200 million as a reserve to manage future changes in exchange rates. Sida also proposes that SEK 350m be used to increase the safety reserve for separate guarantees, which at present is SEK 500m. Sida also proposes that the interest revenues that arises with effect from 2008 be allocated to the government budget via revenue headings. Other balances pertaining to Sida's guarantees for concessionary credits have decreased by SEK 238m, due to the Swedish Export Credits Guarantee Board having made more long-term investments, see Note 13.

Cash, plusgiro and bank balances

The comparison figure for 2006 has been adjusted by SEK –32m due to a reclassification from cash, plusgiro and bank balances pertaining to 'petty cash', which is to be reported as other receivables according to the basic account plan of the Swedish National Financial Management Authority (ESV).

Note 20. Government capital

Sida's government capital is made up of funds attributable to soft loans, conditional loans, concessionary credits, independent guarantees and works of art. Sida does not have any requirements for return on government capital.

Disbursements of conditional loans are settled against appropriations and reported against government capital. Repayments of conditional loans are entered under revenue headings on the government budget and reduce government capital.

Soft loans are reported in the same way, but with the difference that receivables and repayments against government capital and revenue headings are reported after an adjustment with respect to the degree of write-off of loans.

Independent guarantees have a safety reserve which consists of surpluses from the concessionary credits system.

In connection with provision for future interest subsidies for granted concessionary credits, the appropriation is debited and the amount is reported against government capital. The interest subsidies for the year are reported as costs in the Income Statement and lead to a change in capital which for the following year will be charged against government capital. Government equity has a surplus of approximately SEK 1m which has arisen in the concessionary credits system, see Note 19.

Government capital is equivalent to	
Provisions for National Debt Office concessionary credits	508 006
Provisions for National Debt Office Other credits	68 642
Provisions for National Debt Office Independent guarantees	515 839
Receivables, Soft loans	265 191
Receivables, Conditional loans, excl. unrealised exchange-rate differences	393 127
Works of art	158
Change in capital for the year (against government capital for next year)	-37 104
Premiums independent guarantees (in government capital for next year)	7 754
Surplus, see Note 19	582 750
Total government equity	2 304 363

	31.12.2007	31.12.2006
Opening balance	2 606 411	2 682 115
New lending for the year, conditional loans	56 087	19 332
Correction of previous year's lending, conditional loans		53 749
Repayments for the year, conditional loans	-11 004	-4 646
Closed change in capital for the year, conditional loans	-13 619	-4 486
Provision for the year, soft loans	0	15 000
Repayments for the year, soft loans	-9 647	-6 789
Closed change in capital for the year, soft loans	-64 400	-16 799
Provision for the year*, concessionary credits*	-279 000	0
Closed change in capital for the year, concessionary credits	19 404	-131 091
Purchases for the year, works of art	131	27
Total closing balance	2 304 363	2 606 411

* The reason why the amount is negative is that a reversal has been made for concessionary credits of SEK 279m from the National Debt Office. The provisions were allocated to the National Debt Office in 2003 (SEK 144m for a bridge in Bangladesh) and 2001 (SEK 135m for a water treatment plant in Nepal), but the funds have never been utilised, and a reversal was therefore made in April. The reversal has also affected the outcome on appropriation item 7.8:1.33 Concessionary credits in the accounting of appropriations.

Note 21. Change in capital brought forward

	31.12.2007	31.12.2006
Opening balance	575 591	485 361
Closed change in capital for previous years	-87 923	-62 146
Plus: allocated to government capital for soft loans	64 400	16 799
Plus: allocated to government capital for conditional loans	13 619	4 486
Plus: allocated to government capital for concessionary credits	-19 404	131 091
Closing balance	546 282	575 591

Note 22. Provisions for pensions and similar obligations

	31.12.2007	31.12.2006
Opening provision	2 708	4 777
Pension expense for the year	3 474	643
Pension payments for the year	-2 062	-2 712
Closing provision	4 120	2 708

Note 23. Other provisions

	31.12.2007	31.12.2006
Opening provision, Sida's guarantees for concessionary credits	383 000	287 000
Provisions for the year	-6 000	96 000
Closing provision	377 000	383 000
Opening provision, independent guarantees	28 200	67 890
Provisions for the year	-5 100	-39 690
Closing provision	23 100	28 200
Total other provisions	400 100	411 200

The item of Other provisions pertains to provisions for actuarially calculated risk in the Swedish Export Credits Guarantee Board's guarantee activities and for independent guarantees.

The estimated risk in Sida's guarantees for concessionary credits is broken down such that the expected risk totals SEK 145m, while the unexpected risk (the concentration risk) is estimated at SEK 232m due to the heavy concentration on involvement in Sri Lanka.

Sida did not make any provisions for the estimated risk in the balance sheet for independent guarantees in 2006 as they were reported at that time as a contingent liability. To increase comparability, the comparison figures for 2006 have been adjusted by SEK +28 200 thousand, which is equivalent to the Swedish Export Credits Guarantee Board's valuation at 31.12.2006. The risk is relatively unchanged as no new commitments were made during the year. The decrease is due to reduced exposure and changes in exchange rates, principally in the Maputo harbour guarantee. Two new independent guarantees were decided upon during the year, but the guarantee agreements had not been signed at 31.12.2007, and they are therefore not included in the valuation of risk. The Government has permitted a reserve for independent guarantees totalling SEK 500m. This sum has been provided from funds accumulated in the concessionary credits system.

Note 24. Loans at the National Debt Office

	31.12.2007	31.12.2006
Opening balance	108 569	79 767
Loans raised during the year	20 892	63 620
Repayments for the year	-47 006	-34 818
Closing balance	82 455	108 569

Under the Appropriation Directions, Sida has been granted a loan facility of SEK 147 500 thousand.

The loan at the National Debt Office pertains to fixed assets. The difference of SEK 2 318 thousand between loans and fixed assets is due to loans being raised at 30 November and therefore not covering new acquisitions and depreciation in December. Nor have loans been taken for work in progress or advances. The decrease in this item is explained by loans for the fixed assets sold to the Ministry for Foreign Affairs in January 2007 having been repaid.

Note 25. Other liabilities

	31.12.2007	31.12.2006
Other liabilities	83 222	139 416

This item decreased by SEK 56 193 thousand in comparison with the previous year. Part of the decrease is due to co-financed contributions having decreased by SEK 12 926 thousand. The balance for co-financed contributions is SEK 64 413 thousand and largely consists of a liability to NORAD for HIV/AIDS (SEK 34 740 thousand). Another part of the decrease (SEK 49 226 thousand) is due to Sida's guarantees for concessionary credits having had a liability towards recipients of guarantees pertaining to recoveries not yet allocated from the previous year. These were allocated in 2007.

What was previously reported as deposits has been reclassified as other liabilities. The comparison figure for other liabilities in 2006 has therefore been adjusted by SEK +2 thousand.

Note 26. Cut-off items

	31.12.2007	31.12.2006
Accrued wages, salaries and holiday pay	42 676	39 994
Other accrued costs, non-governmental	3 936	4 591
Other accrued costs, governmental	485	515
Unutilised grants, governmental*	7 720	5 652
Deferred income**	17 620	0
Closing balances	72 437	50 752

Unutilised grants pertain in particular to grants from the Ministry for Foreign Affairs relating to TIPH in Hebron (SEK 3 244 thousand) and EU missions (SEK 3 501 thousand).

*** Deferred income pertains to funds paid within the safety reserve for concessionary credits relating to sewage treatment in Sri Lanka. Invoicing will take place in 2008.*

CONTINGENT LIABILITIES

Note 27. Contingent liabilities

Contingent liabilities for conditional loans have increased, due in part to a new loan agreement with Guarantco of USD 15m (SEK 96 525m), of which USD 7m (SEK 45 117m) was disbursed during the year.

CONTINGENCIES

Caspian Trading

SEK 83 thousand

Caspian Trading Ekonomisk Förening (economic association) has been granted an import guarantee by Sida to a maximum of SEK 187.5 thousand for the market launch of fish products from Russia. Because of delayed delivery, Caspian requested payment of the guarantee sum. As a result of Caspian Trading's request, Sida decided to pay approximately SEK 104 thousand to the association. Caspian Trading has appealed Sida's decision and requested payment of at least SEK 187.5 thousand. The case has been settled in Sida's favour in the County Administrative Court and Administrative Appeal Court. Caspian has appealed to the Supreme Administrative Court.

CEEN

SEK 4 500 thousand

The Austrian company CEEN has requested compensation of approximately SEK 4.5m from Sida in the Stockholm District Court claiming that Sida committed errors in connection with the qualification phase and evaluation in a procurement of consultancy services in which CEEN took part, which meant that the company had not obtained the contract with Sida. The requested compensation relates to the value of the contract. Sida has contested CEEN's claims. The case is being prepared for proceedings in the District Court.

Akademiska Hus i Stockholm AB

SEK 3 300 thousand

Sida rents its premises in Stockholm from Akademiska Hus i Stockholm AB (AHS). Because of a number of deficiencies relating to the premises at the time of and following the move in September 2006, Sida has requested a reduction in rent of just over SEK 3.1m as compensation firstly for costs relating to the deficiencies and secondly as a reduction in rent. The parties have not reached agreement in mediation. As a result of this, Sida has deposited the disputed sum at Stockholm County Administrative Board. AHS has consequently initiated proceedings before Stockholm District Court and requested that Sida be obliged to pay to AHS a sum of approximately SEK 3.3m plus interest. The case is being prepared for a hearing at the District Court. The sum has been deducted from appropriations and entered as an expense in 2007. The sum is reported in the balance sheet under Other receivables and other liabilities.

APPROPRIATION REPORT

Note 28. Opening transferred balances

In an amendment to Appropriation Directions UD2007/35627/UTSTYR, the Government has decided that Sida may have disposal of an appropriation saving attributable to 7 8:1 Development cooperation activities at 3% for the appropriation items 1, 2, 3, 5, 6, 7, 26.2, 32 and 33. According to the same decision, Sida has disposal of SEK 80 850 thousand pertaining to appropriation item 9 and SEK 92 100 thousand for appropriation item 26.

At the end of 2006 Sida had an appropriation saving on appropriation 8:2 appropriation item 1, Sida of SEK 34 254 thousand. According to an amendment to Appropriation Directions UD2007/35627/UTSTYR the Government has decided that Sida may have disposal of 3%. Sums exceeding 3% have been repaid together with interest to the government central account at Riksbanken, the Swedish central bank.

At the end of 2006 Sida had an appropriation saving on appropriation item 5 5:2.3 Peace and security-promoting activities of SEK 2 288 thousand. Under Appropriation Directions UD2006/61718/PLAN the saving is re-allocated to appropriation item 5 5:2 5 and is consequently not at Sida's disposal.

At the end of 2006 Sida had an appropriation saving on appropriation item 5 5:11.1 Cooperation in the Baltic Sea Region of SEK 438 thousand, which is at Sida's disposal in 2007 under Appropriation Directions UD2006/61718/PLAN, UD2006/61719/UTSTYR.

At the end of 2006 Sida had an appropriation saving on appropriation 24 39:6 Business development in the Baltic Sea Region, appropriation item 6 At Sida's disposal of SEK 33 506 thousand. Under Appropriation Directions UD2007/46204/FIM (relating to appropriation 39:6) Sida does not have disposal of this appropriation in 2007, and the sum has therefore been reported as a withdrawal.

Up to and including the 2006 budget year the Middle East and North Africa were included in appropriation item 6, Asia. With effect from the 2007 budget year the Middle East and North Africa have a separate appropriation item (appr. item 17). This means that Sida does not report any opening sum for transfer for appr. item 17 Middle East and North Africa in the appropriation accounting for 2007.

Note 29. Allocation for the year according to appropriation directions

The difference between the allocation in the appropriation directions and the allocation in the appropriation accounting is due to Sida having followed the reporting in Hermes, where Swedish Government Offices has registered the redistributions between appropriation items made during the year as re-allocations.

Note 30. Reallocated appropriation sums

All the amendments below are shown in the table at the end of the note.

In an amendment to Appropriation Directions UD2007/16116/UTSTYR, UD2007/6726/Gs, the Government has decided on a redistribution of the closing appropriation saving at 31 December 2006.

At the end of 2006 Sida had an appropriation saving on appropriation item 5 5:2.3 Peace and security-promoting activities of SEK 2 288 thousand. According to Appropriation Directions UD2006/61718/PLAN the saving is redistributed to appropriation item 5 5:2.5 and is consequently not at Sida's disposal.

In an amendment to Appropriation Directions UD2007/24420/PLAN the Government has reduced part of appropriation 8:1 Development cooperation activities by SEK 360 000 thousand. In accordance with this decision SEK 50 000 thousand is also transferred from appropriation 8:1 appropriation item 29.1 Organisational and thematic support to appropriation 8:1 appropriation item 32 Research. In addition, SEK 30 000 thousand is transferred from appropriation 8:1 appropriation item 29.1 Organisational and thematic support to appropriation 8:1 appropriation item 6 Asia.

In an amendment to Appropriation Directions UD2007/35627/UTSTYR the Government has established the size of the appropriation saving which over which Sida may have disposal.

In addition, SEK 15 000 thousand is transferred from appropriation 8:1 appropriation item 29.1 Organisational and thematic support to appropriation 8:1 appropriation item 3 Global development programmes.

In an amendment to Appropriation Directions UD2007/44135/UTSTYR the Government has decided on redistribution between appropriation items to allow for the financing of agreed contributions in Latin America and Eastern Europe and Central Asia. Under the same decision, SEK 2 500 thousand is transferred from Swedish Government Offices appropriation 8:1 appropriation item 31.2 Eastern Europe and Central Asia, non-ODA countries, to appropriation 8:1 appropriation item 26.2 Eastern Europe and Central Asia, non-ODA countries. In addition, SEK 4 000 thousand is transferred from appropriation 8:1 appropriation item 29.1 Organisational and thematic support to appropriation 8:1 appropriation item 7 Latin America, SEK 40 000 thousand to appropriation 8:1 appropriation item 17 Middle East and North Africa and SEK 30 000 thousand to appropriation 8:1, appropriation item 6 Asia.

Appropriation item		Reallocation uncommitted appropriation saving	Reallocation between appropriation items	Redistribution	Net
7 8:1.1	Humanitarian assistance and conflict-related activities	100 000			100 000
7 8:1.3	Global development programmes			15 000	15 000
7 8:1.5	NGOs	-100 000			-100 000
7 8:1.6	Asia	75 000		60 000	135 000
7 8:1.7	Latin America	-90 000	30 000	4 000	-56 000
7 8:1.9	Africa		-90 000		-90 000
7 8:1.17	Middle East and North Africa			40 000	40 000
7 8:1.26.1	Eastern Europe and Central ODA countries	150 000	60 000		210 000
7 8:1.26.2	Eastern Europe and Central Asia, non-ODA countries			2 500	2 500
7 8:1.32	Research	30 000		50 000	80 000
7 8:1.33	Concessionary credits	-165 000			-165 000
5 5:2.3	Peace and security-promoting activities			-2 288	-2 288
7 8:1	Total	0	0	169 212	169 212

Note 31. Limits on expenditure

In an amendment to Appropriation Directions UD2007/44135/UTSTYR, the Government has decided that Sida will have a limit on expenditure of SEK 15 715 979 thousand for appropriation 8:1, at Sida's disposal, of which SEK 271 679 pertains to appropriation item 26.2 Eastern Europe and Central Asia, non-ODA countries.

Note 32. Appropriation credit

Under the Appropriation Directions Sida has an appropriation credit at its disposal during the 2007 budget year of SEK 18 666 thousand on appropriation 7 8:2 appropriation item 1 Sida (the administrative appropriation).

Note 33. Negative appropriation outcome

Sida has a negative outcome at the end of 2007 of SEK -46 221 thousand on appropriation item 7 8:1.33 Concessionary credits. This is due to a reversal from the National Debt Office having been made of SEK 279m pertaining to funds allocated for concessionary credits in previous years which have not been utilised. See Note 20.

Note 34. Closing sums for transfer

Pursuant to Section 20a of the Appropriations Ordinance, Sida has outstanding commitments on appropriation 5 5:11.1 Cooperation in the Baltic Sea Region of SEK 337 thousand.

Note 35. Accounting against government budget revenue headings

Estimated revenues for the year which is not at Sida's disposal is stated at SEK 50 000 thousand in accordance with the Appropriation Directions.

A sum of SEK 61 516 is reported in the Collection section of the Statement of Financial Performance as funds added to the government budget. This sum does not agree with the outcome in Revenue Headings accounting (SEK 82 166 thousand). This is explained by repayment of conditional loans and soft loans (SEK 20 651 thousand) being reported in government equity and not affecting the Income Statement.

The balance in the Collection section of the Income Statement consists of the change in accrued, i.e. not yet paid, income (SEK 7 019 thousand).

AUTHORISATIONS**Note 36. Definition of authorisations**

The term authorisations refers to the power vested in Sida under the Appropriation Directions to make commitments that entail expenditure during following budget years and that have to be covered by appropriations. Outstanding commitments are made up of binding undertakings, i.e. signed and still valid agreements/contracts or decisions taken on grants (where there are no agreements) less cumulative booked expenditure at 31 December 2007.

As a consequence of a change of rule in the Ordinance (2006:605) on Annual Reports and Budget Material (1996:1189) outstanding commitments are calculated in a new way with effect from 2007. The change of rule means that, for the appropriation items where an authorisation facility has been allocated, Sida reports all outstanding commitments at 31 December in the authorisation accounting. In previous years, part of outstanding commitments under the appropriation saving has been reported as committed appropriation saving. The sums for the outstanding commitments of previous years have not been converted.

Note 37. Opening commitments

Commitments covered by appropriations already allocated were not included in authorisation accounting in 2006. The sums in the column for opening commitments have not been converted as a result of the change of rule mentioned above and are instead equivalent to the sums reported as outstanding commitments in 2006.

Until and including the 2006 budget year the Middle East and North Africa were included in appropriation item 6 Asia. With effect from the 2007 budget year the Middle East and North Africa have a separate appropriation item (appr. item 17). This means that Sida does not report any opening commitments for appr. item 17 Middle East and North Africa in the 2007 authorisation accounting.

Note 38. Total outstanding commitments

Outstanding commitments at year-end and the total sum of amounts broken down by year differ. The difference arises as the total sum of outstanding commitments includes the difference between agreed amounts allocated before 2007 and disbursements made before 2007. These agreed amounts are formally agreed and are still valid, and they are therefore reported as outstanding commitments. However, Sida judges that this difference will in all probability not be disbursed, and it is therefore not included in future allocated sums.

CASH FLOW STATEMENT**Note 39. Operating costs**

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Operating costs according to Income Statement	–1 049 138	–1 048 645
Operating costs according to Cash Flow Statement	–1 021 102	–1 015 776
Difference	–28 036	–32 869

The difference consists of the following items in the Income Statement which are not to affect the Cash Flow Statement:

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Capital loss on sale of fixed assets	–2	–284
Provisions for future pension commitments	–1 412	2 069
Provisions for future pension commitments	–26 622	–34 654
Total	–28 036	–32 869

Note 40. Revenues from fees and other payments

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Revenues from fees etc. according to Income Statement	55 315	61 404
Income from fees etc. according to Cash Flow Statement	55 140	60 451
Difference	175	953

The difference consists of the following item in the Income Statement which is not to affect the Cash Flow Statement:

	01.01.2007 –31.12.2007	01.01.2006 –31.12.2006
Capital gain on sale of fixed assets	175	953
Total	175	953

DISPUTES

Disputes here mean either that Sida demands money from another party or that a party demands money from Sida and that the party that has received the demand for money is unwilling to pay. The disputes are reported below under the heading of doubtful receivables. Contingencies are reported under Note 27 Contingent liabilities. The sums stated include capital amounts requested but not interest on the sum or legal costs.

Doubtful receivables

Hifab AB and others and NCC AB

SEK 93 400 thousand

Hifab International AB and KM International AB (now WSP) have undertaken assignments as a consortium on a consultancy basis in a road-building project carried out by NCC in Nicaragua. After faults occurred in the road surface, which are estimated to have resulted in an additional expense of SEK 93.4m, negotiations were conducted on liability for compensation for the consortium and NCC. The companies have contested liability for the faults. Sida has carried out several investigations with the aim of establishing whether the opposing parties are liable for compensation and, if so, what prospects Sida has of having such liability established. Sida has subsequently initiated new mediation talks with the consortium.

Nepu

SEK 1 200 thousand

The Namibian research organisation Namibian Economic Policy Research Unit (Nepu) has received grants from Sida. An audit has shown that SEK 1.2m of the grant has been used in a way which is contrary to the grant agreement. However, there is no evidence that any criminal offence has been committed. Sida has demanded that Nepu repay the whole of the incorrectly used sum. Following negotiations between the parties, it has been agreed that Nepu will carry out the project for which the money was originally intended without Sida supplying further funds. Nepu is due to report to Sida in June 2008 on implementation of the project. If the project has not been completed Sida's demand for repayment will remain in place.

Start-up programmes

SEK 50 thousand

Under the start-up programmes up to and including 2001, Sida has granted depreciation loans and conditional loans to a large number of companies. One of these companies has not yet paid off its loan in accordance with the agreements. The combined receivable from these companies totals around SEK 50 thousand.

CDA

SEK 315 thousand

Sida has provided grants of SEK 800 thousand to the organisation Center for Democratic Advancement (CDA). An audit has shown that CDA firstly has reported costs approximately SEK 260 thousand higher than the actual costs incurred and secondly has not repaid unused funds totalling SEK 55 thousand. Sida has demanded repayment of the combined sum of SEK 315 thousand. Sida is considering taking legal action and demanding compensation in a criminal court.


Adoption of the annual report by the Director-General

2007



Adoption of the annual report by the Director-General

The Director-General of Sida took a decision to adopt Sida's annual report for 2007 on 19 February.

A handwritten signature in black ink, appearing to read 'Anders Nordström', is positioned above the printed name.

Anders Nordström, *Director-General*

Annexes

2007



Annex 1. International development cooperation by operational area, region/country and part of the world

Annex 1:1 Overview of policy areas, expenses in SEK '000

Policy area	2005	2006	2007
International development cooperation	13 829 917	15 683 532	15 368 831
Foreign and security policy	4 673	17 377	20 073
Other policy areas	39 410	22 421	23 873
Total	13 874 000	15 723 330	15 412 776
Administrative expense	578 335	620 751	620 188
Total	14 452 335	16 344 081	16 032 965

Annex 1:2 International development cooperation by operational area and region, expenses in SEK '000

Region	OPERATIONAL AREA						Research
	Africa	Asia	Middle East and North Africa	Latin America	Eastern Europe and Central Asia	Global development programmes	
Sub-Saharan Africa	4 441 083	0	0	0	0	457	278 181
Asia, Middle East and North Africa	0	1 835 422	0	0	0	570	79 491
Latin America	0	0	378 399	0	0	785	100 837
Europe	0	0	0	1 001 612	1 556 163	194	0
of which Europe ODA countries	0	0	0	0	1 294 240	194	0
of which Europe non-ODA countries	0	0	0	0	261 923	0	0
Global	0	0	0	0	0	1 907 421	519 988
Total	4 441 083	1 835 422	378 399	1 001 612	1 556 163	1 909 427	978 497

Annex 1:2 International development cooperation by operational area and region, cont. expenses in SEK '000

Region	OPERATIONAL AREA					Total
	Humanitarian assistance and conflict-related activities	of which conflict management	Concessional credits	NGOs	Information	
Sub-Saharan Africa	1 130 157	95 996	14 692	363 927	0	6 228 497
Asia, Middle East and North Africa	531 477	15 887	-256 922	218 905	0	2 787 344
Latin America	83 853	3 227	0	220 670	0	1 407 756
Europe	62 346	0	0	54 112	0	1 672 815
of which Europe ODA countries	23 829	0	0	54 112	0	1 372 375
of which Europe non-ODA countries	38 518	0	0	0	0	300 440
Global	256 100	75 187	106 301	444 734	37 876	3 272 419
Total	2 063 934	190 297	-135 930	1 302 347	37 876	15 368 831

Annex 1:3 International development cooperation by operational area and region/country in Africa, expenses in SEK '000

Country and region	Africa	Global development programmes	Research	Humanitarian assistance and conflict-related activities	of which conflict management	Concessionary credits	NGOs	Total
AFRIKA SÖDER OM SAHARA								
Angola	27 547	0	0	8 408	0	0	9 277	45 232
Benin	0	0	0	0	0	0	2 050	2 050
Botswana	23 002	0	0	0	0	0	0	23 002
Burkina Faso	132 070	0	7 013	0	0	0	8 463	147 546
Burundi	5 640	0	0	30 937	2 950	0	3 867	40 444
Central African Republic	0	0	0	39 153	6 187	0	1 895	41 048
Ivory Coast	15 000	0	0	23 019	0	0	237	38 256
Eritrea	0	0	0	2 920	-301	0	2 438	5 358
Ethiopia	226 651	0	33 559	38 745	815	0	11 270	310 225
Gambia	0	0	0	0	0	0	5 618	5 618
Ghana	7 373	0	0	2 220	96	0	1 576	11 169
Guinea	0	0	0	2 691	0	0	62	2 754
Guinea-Bissau	-85	0	0	0	0	0	0	-85
Cameroon	0	0	0	0	0	0	1 595	1 595
Kap Verde	3 225	0	0	0	0	0	0	3 225
Kenya	281 387	0	0	6 716	432	0	30 810	318 913
Congo Brazzaville	0	0	0	18 201	4 177	0	2 578	20 779
Democratic Republic of Congo	36 776	0	0	171 368	19 578	0	12 102	220 245
Djibouti	0	0	0	0	0	0	284	284
Lesotho	0	0	0	0	0	0	1 160	1 160
Liberia	45 000	0	0	61 199	7 288	0	5 270	111 469
Madagascar	0	0	0	2 072	288	0	1 323	3 395
Malawi	125 000	0	0	-6	0	0	8 422	133 415
Mali	176 158	0	0	0	0	0	5 255	181 413
Mauretania	0	0	0	-25	0	0	5 553	5 528
Mauritius	0	0	0	0	0	0	-7	-7
Mozambique	670 661	0	32 144	1 210	528	2 119	11 899	718 032
Namibia	22 529	0	1	1 605	0	0	6 044	30 179
Niger	0	0	0	7 352	0	0	879	8 231
Nigeria	2 555	0	0	3 664	0	0	1 087	7 305
Rwanda	116 297	0	25 768	4 080	0	0	4 135	150 280
Senegal	402	0	0	0	0	0	894	1 297
Sierra Leone	192	0	0	6 716	0	0	2 158	9 066
Somalia	52 861	0	0	115 368	12 660	0	7 496	175 725
Sudan	127 884	0	0	254 341	16 355	0	11 764	393 989
South Africa	101 027	0	-618	0	0	0	34 428	134 837
Tanzania	668 878	0	50 007	513	0	0	20 645	740 044
Chad	0	0	0	39 122	288	0	517	39 639
Togo	0	0	0	220	96	0	5 360	5 580
Uganda	238 189	0	28 524	108 613	10 701	474	15 736	391 536
Zambia	360 488	0	0	2 785	0	0	9 889	373 162
Zimbabwe	80 400	0	0	46 451	0	0	13 030	139 882
Regional Africa	893 976	457	101 782	130 498	13 859	12 100	96 870	1 235 683
TOTAL SUB-SAHARAN AFRICA	4 441 083	457	278 181	1 130 157	95 996	14 692	363 927	6 228 497

Annex 1:4 International development cooperation by operational area and region/country in Asia, expenses in SEK '000

Country and region	Asia	Middle East and North Africa	Global development programmes	Research	Humanitarian assistance and conflict-related activities	of which conflict management	Concessionary credits	NGOs	Total
ASIA									
Asia									
Afghanistan	338 782	0	0	0	22 673	-960	0	19 228	380 682
Bangladesh	200 010	0	0	0	16 696	0	-144 000	11 624	84 329
Bhutan	4 968	0	0	0	0	0	0	0	4 968
Philippines	16 497	0	0	0	9 836	0	0	11 608	37 942
India	69 748	0	0	0	-130	0	47	25 236	94 901
Indonesia	64 099	0	0	0	7 869	0	0	3 477	75 445
Cambodia	113 805	0	0	0	1 012	0	0	7 914	122 731
China	58 825	0	0	0	4 536	0	0	7 371	70 732
Korea, North	967	0	0	0	51 256	0	0	181	52 404
Laos	126 204	0	599	9 897	0	0	0	2 055	138 755
Malaysia	0	0	0	0	0	0	0	2 961	2 961
Mongolia	14 161	0	0	0	220	96	350	439	15 170
Myanmar/Burma	69 804	0	0	0	5 750	0	0	1 329	76 884
Nepal	3 094	0	0	0	9 642	0	-135 000	2 307	-119 957
Pakistan	61 257	0	0	0	19 081	0	0	15 454	95 792
Papua New Guinea	0	0	0	0	1 113	0	0	237	1 350
Solomon Islands	0	0	0	0	556	0	0	0	556
Sri Lanka	98 787	0	0	11 735	20 865	1 247	19 432	8 331	159 149
Thailand	4 476	0	0	0	43 590	0	2 243	11 383	61 692
Vietnam	285 977	0	-28	24 214	2 285	0	5	17 721	330 174
East Timor	32 982	0	0	0	4 989	0	0	474	38 444
Asia Total	1 564 444	0	570	45 846	221 838	383	-256 922	149 329	1 725 105
Middle East and North Africa									
Algeria	0	0	0	0	2 734	0	0	0	2 734
Egypt	0	7 844	0	0	0	0	0	8 506	16 349
Iraq	0	77 191	0	0	32 680	8 240	0	1 342	111 213
Iran	0	0	0	0	-30	0	0	-13	-43
Yemen	0	0	0	0	2 573	0	0	2 813	5 387
Jordan	0	549	0	0	0	0	0	512	1 062
Lebanon	-33	37 004	0	0	22 220	6 929	0	2 465	61 656
Morocco	0	7 989	0	0	0	0	0	717	8 706
Syria	0	6 529	0	0	0	0	0	651	7 180
Tunisia	0	3 395	0	0	2 040	0	0	355	5 790
West Bank and Gaza	0	171 757	0	0	150 216	336	0	26 022	347 995
Middle East and North Africa total	-33	312 258	0	0	212 433	15 505	0	43 371	568 029
Regional Asia, Middle East and North Africa	271 011	66 142	0	33 645	97 206	0	0	26 205	494 209
TOTAL ASIA, MIDDLE EAST AND NORTH AFRICA	1 835 422	378 399	570	79 491	531 477	15 887	-256 922	218 905	2 787 344

Annex 1:5 International development cooperation by operational area and region/country in Latin America, expenses in SEK '000

Country and region	Latin America	Global development programmes	Research	Humanitarian assistance and conflict-related activities	of which conflict management	NGOs	Total
LATIN AMERICA							
Argentina	0	0	0	0	0	5 884	5 884
Bolivia	118 730	0	29 497	1 216	288	32 384	181 828
Brazil	3 270	0	0	0	0	23 870	27 140
Chile	208	0	0	0	0	1 952	2 160
Colombia	98 237	0	0	24 880	0	6 028	129 145
Costa Rica	2 016	0	0	0	0	5 293	7 309
Dominican Republic	0	0	0	625	0	390	1 015
Ecuador	73	0	0	0	0	3 292	3 365
El Salvador	15 991	0	0	-2	0	12 102	28 091
Guatemala	189 165	0	0	-10	0	11 155	200 311
Haiti	4 606	0	0	10 709	0	118	15 433
Honduras	120 666	0	9 116	220	96	10 448	140 450
Jamaica	1 316	0	0	330	144	0	1 646
Cuba	1 572	0	0	0	0	172	1 744
Mexico	0	0	0	990	432	355	1 345
Nicaragua	238 479	0	27 024	12 000	0	12 180	289 683
Panama	0	0	0	0	0	918	918
Paraguay	310	0	0	0	0	12 005	12 315
Peru	16 763	0	0	14 873	767	7 820	39 455
Uruguay	0	0	0	0	0	2 179	2 179
Venezuela	2	0	0	0	0	0	2
Regional Latin America	190 207	785	35 200	18 022	1 500	72 126	316 340
TOTAL LATIN AMERICA	1 001 612	785	100 837	83 853	3 227	220 670	1 407 756

Annex 1:6 International development cooperation by operational area and region/country in Europe, expenses in SEK '000

Country and region	Eastern Europe and Central Asia	Global development programmes	Humanitarian assistance and conflict-related activities	of which conflict management	NGOs	Total
EUROPE						
ODA-countries						
Albania	83 179	0	220	96	1 030	84 429
Armenia	21 088	0	2 040	0	907	24 035
Azerbaijan	7 118	0	2 040	0	-8	9 150
Bosnia and Herzegovina	232 549	0	4 138	0	5 765	242 452
Georgia	68 593	112	2 040	0	709	71 342
Kazakhstan	3 699	0	0	0	662	4 361
Kyrgyzstan	47 940	0	0	0	1 025	48 965
Kosovo	68 098	0	0	0	880	68 978
Croatia	43 094	0	0	0	132	43 226
Macedonia	94 693	0	1 430	623	855	96 978
Moldova	106 127	0	0	0	6 514	112 641
Montenegro	36 569	0	0	0	0	36 569
Serbia	122 801	0	-43	0	4 887	127 645
Tajikistan	90 275	0	5 655	1 679	0	95 930
Turkey	32 680	0	0	0	1 763	34 443
Ukraine	109 270	0	0	0	8 021	117 292
Uzbekistan	5 051	0	0	0	396	5 447
Belarus	51 636	0	0	0	2 108	53 744
Regional Europe	69 780	194	6 309	0	18 465	94 748
ODA-countries Total	1 294 240	194	23 829	2 398	54 112	1 372 375
Non-ODA countries						
Bulgaria	2 733	0	0	0	0	2 733
Estonia	605	0	0	0	0	605
Latvia	64	0	0	0	0	64
Lithuania	172	0	0	0	0	172
Poland	101	0	0	0	0	101
Romania	2 096	0	0	0	0	2 096
Russia	255 678	0	38 518	0	0	294 196
Barents	17 889	0	0	0	0	17 889
Other Russia	237 789	0	38 518	0	0	276 307
Czech Republic	210	0	0	0	0	210
Regional Central and Eastern Europe	264	0	0	0	0	264
Non-ODA countries	261 923	0	38 518	0	0	300 440
TOTAL EUROPE	1 556 163	194	62 346	2 398	54 112	1 672 815

Annex 1:7 The 20 main partner countries in 2007, expenses in SEK '000

Country	Expense		
	2005	2006	2007
Tanzania	680 499	819 093	740 044
Mozambique	570 682	663 825	718 032
Sudan	317 368	326 616	393 989
Uganda	358 287	461 384	391 536
Afghanistan	328 981	335 028	380 682
Zambia	250 886	356 306	373 162
West Bank and Gaza	260 619	359 155	347 995
Vietnam	312 212	315 218	330 174
Kenya	299 831	382 942	318 913
Ethiopia	380 078	305 885	310 225
Russia*	340 851	359 289	294 196
Nicaragua	305 494	244 665	289 683
Bosnia and Herzegovina	329 494	284 070	242 452
Democratic Republic of Congo	167 483	259 585	220 245
Guatemala	113 623	240 622	200 311
Bolivia	152 787	134 036	181 828
Mali	162 120	187 180	181 413
Somalia	93 450	94 868	175 725
Sri Lanka	386 463	151 608	159 149
Rwanda	174 131	127 297	150 280
Total	5 985 339	6 408 671	6 400 035

*Non-ODA country

Annex 2. International development cooperation by main sector (Sida classification)

Annex 2. International development cooperation by main sector and region/country, expenses in SEK '000

Country and region	Health	Education	Research	Democratic governance and human rights	Conflict, peace and security	Humanitarian assistance
SUB-SAHARAN AFRICA						
Angola	11 935	853	18	10 794	9	8 408
Benin	289	978	0	555	18	0
Botswana	20 000	0	0	2 820	0	0
Burkina Faso	25 612	23 694	7 013	10 211	217	0
Burundi	546	1 788	0	1 971	7 733	27 987
Central African Republic	328	314	0	923	6 344	32 966
Ivory Coast	0	0	0	275	9	0
Eritrea	41	15 039	0	115	20	23 019
Ethiopia	117	236	0	946	-227	3 221
Gambia	18 824	19 811	33 559	36 145	1 118	37 930
Ghana	687	752	0	3 049	14	0
Guinea	56	56	0	4 862	133	2 124
Guinea-Bissau	0	0	0	61	2	2 691
Cameroon	0	0	0	-85	0	0
Kap Verde	271	264	0	770	118	0
Kenya	0	0	0	3 225	0	0
Congo Brazzaville	31 946	3 691	0	130 827	886	6 284
Democratic Republic of Congo	395	382	0	1 385	4 363	14 024
Djibouti	1 394	15 535	0	25 260	19 854	151 790
Lesotho	56	0	0	1 055	0	0
Liberia	25 371	549	0	1 742	7 445	73 911
Madagascar	16	0	0	440	288	1 785
Malawi	77 726	180	0	51 058	87	-6
Mali	35 524	51 028	0	10 478	235	0
Mauretania	627	2 004	0	1 538	100	-25
Mauritius	-1	0	0	-6	0	0
Mozambique	40 566	6 260	32 144	149 125	644	682
Namibia	10 031	611	1	5 104	8	1 605
Niger	116	321	0	328	6	7 352
Nigeria	81	39	0	3 444	20	3 664
Rwanda	574	2 638	25 768	19 273	8 071	4 835
Senegal	46	47	0	611	33	0
Sierra Leone	290	900	0	927	26	6 716
Somalia	16 161	1 120	0	4 493	31 738	117 975
Sudan	2 536	2 787	0	20 704	16 906	237 986
South Africa	35 177	10 398	-618	58 655	2 391	0
Tanzania	40 092	41 007	50 044	100 961	124	513
Chad	81	116	0	224	308	38 834
Togo	754	1 290	0	2 471	353	124
Uganda	94 161	1 259	28 524	35 900	16 881	97 912
Zambia	134 876	705	0	37 119	606	2 785
Zimbabwe	31 657	1 079	0	46 892	1 875	46 451
Regional Africa	260 754	13 729	108 107	194 939	71 440	116 639
TOTAL SUB-SAHARAN AFRICA	919 712	221 460	284 561	981 588	200 195	1 070 183

Annex 2. cont. **International development cooperation by main sector and region/country**, expenses in SEK '000

Country and region	Infrastructure	Trade, industry and financial systems	Natural resources and environment	Budget support for poverty reduction	Other	Total
SUB-SAHARAN AFRICA						
Angola	10 357	24	1 792	0	1 039	45 232
Benin	0	53	74	0	82	2 050
Botswana	132	0	0	0	50	23 002
Burkina Faso	8	118	13 968	60 000	6 706	147 546
Burundi	0	101	162	0	155	40 444
Central African Republic	25	36	112	0	0	41 048
Ivory Coast	0	0	0	0	0	284
Eritrea	3	4	14	0	0	38 256
Ethiopia	0	209	109	0	748	5 358
Gambia	29	5 961	91 936	0	64 913	310 225
Ghana	0	149	751	0	215	5 618
Guinea	3 775	11	58	0	94	11 169
Guinea-Bissau	0	0	0	0	0	2 754
Cameroon	0	0	0	0	0	-85
Kap Verde	18	32	113	0	8	1 595
Kenya	0	0	0	0	0	3 225
Congo Brazzaville	47 442	814	86 949	0	10 074	318 913
Democratic Republic of Congo	28	46	155	0	3	20 779
Djibouti	23	226	456	0	5 707	220 245
Lesotho	0	0	0	0	49	1 160
Liberia	0	453	372	0	1 626	111 469
Madagascar	167	72	628	0	0	3 395
Malawi	477	287	1 831	0	1 776	133 415
Mali	23	74	903	80 000	3 147	181 413
Mauretania	0	272	210	0	803	5 528
Mauritius	0	0	0	0	0	-7
Mozambique	104 110	3 497	58 785	300 000	22 218	718 032
Namibia	2 489	2 548	1 492	0	6 290	30 179
Niger	0	21	51	0	36	8 231
Nigeria	3	4	14	0	36	7 305
Rwanda	4 132	327	542	80 000	4 120	150 280
Senegal	2	8	438	0	111	1 297
Sierra Leone	2	50	73	0	82	9 066
Somalia	9	211	1 082	0	2 936	175 725
Sudan	68	298	480	0	112 225	393 989
South Africa	13 477	3 188	6 524	0	5 644	134 837
Tanzania	91 288	39 830	14 463	350 000	11 720	740 044
Chad	3	13	47	0	12	39 639
Togo	35	105	352	0	94	5 580
Uganda	5 973	35 717	65 125	0	10 084	391 536
Zambia	20 729	9 134	62 736	96 250	8 222	373 162
Zimbabwe	1 457	422	6 236	0	3 813	139 882
Regional Africa	66 227	87 409	267 187	0	49 252	1 235 683
TOTAL SUB-SAHARAN AFRICA	372 511	191 728	686 218	966 250	334 090	6 228 497

Annex 2. cont. **International development cooperation by main sector and region/country**, expenses in SEK '000

Country and region	Health	Education	Research	Democratic governance and human rights	Conflict, peace and security	Humanitarian assistance
ASIA, MIDDLE EAST AND NORTH AFRICA						
Asia						
Afghanistan	18 566	131 169	2 000	146 048	14 323	23 632
Bangladesh	129 520	28 963	10 000	24 449	470	16 696
Bhutan	0	0	0	0	0	0
Philippines	283	689	0	14 403	277	9 836
India	24 547	3 188	75	29 211	909	-130
Indonesia	69	28	0	44 379	31	7 869
Cambodia	602	47 068	0	71 726	257	1 012
China	10 932	4 628	100	13 250	458	4 536
Korea, North	0	0	0	175	5	51 256
Laos	1 975	8 382	22 247	39 785	59	0
Malaysia	42	0	0	792	0	0
Mongolia	65	998	0	6 543	125	124
Myanmar/Burma	39 739	70	0	15 912	31	5 750
Nepal	66	159	0	1 975	3 100	9 642
Pakistan	1 271	2 102	0	8 852	192	19 081
Papua New Guinea	41	39	0	115	20	1 113
Solomon Islands	0	0	0	0	0	556
Sri Lanka	323	1 665	11 735	48 289	10 093	19 615
Thailand	1 032	2 574	0	6 248	280	43 590
Vietnam	30 525	1 034	24 335	77 392	276	2 285
East Timor	82	15 079	0	18 059	-7	4 989
Asia Total	259 680	247 836	70 492	567 602	30 900	220 895
Middle East and North Africa						
Algeria	0	0	0	0	0	2 734
Egypt	654	1 443	0	8 260	211	0
Iraq	140	111	0	36 416	8 239	24 440
Iran	0	0	0	-13	0	-30
Yemen	133	430	0	1 635	58	2 573
Jordan	297	244	0	139	5	0
Lebanon	151	163	0	1 606	13 773	15 291
Morocco	101	342	0	644	6	0
Syria	108	106	0	1 524	39	0
Tunisia	61	59	0	1 294	29	2 040
West Bank and Gaza	20 744	2 703	0	72 481	56 223	149 880
Middle East and North Africa total	22 390	5 602	0	123 985	78 584	196 929
Regional Asia, Middle East and North Africa	26 769	2 592	33 645	89 406	1 003	108 211
TOTAL ASIA, MIDDLE EAST AND NORTH AFRICA	308 839	256 030	104 137	780 994	110 487	526 591

Annex 2. cont. **International development cooperation by main sector and region/country**, expenses in SEK '000

Country and region	Infrastructure	Trade, industry and financial systems	Natural resources and environment	Budget support for poverty reduction	Other	Total
ASIA, MIDDLE EAST AND NORTH AFRICA						
Asia						
Afghanistan	36 027	515	2 555	0	5 847	380 682
Bangladesh	-143 960	9 813	2 433	0	5 946	84 329
Bhutan	4 215	0	753	0	0	4 968
Philippines	2	53	11 580	0	819	37 942
India	612	4 032	27 205	0	5 252	94 901
Indonesia	2 543	5	18 115	0	2 406	75 445
Cambodia	23	132	667	0	1 244	122 731
China	1 348	3 510	26 864	0	5 107	70 732
Korea, North	0	967	0	0	0	52 404
Laos	42 048	16	20 791	0	3 452	138 755
Malaysia	0	0	1 774	0	352	2 961
Mongolia	2 836	42	4 432	0	4	15 170
Myanmar/Burma	0	27	15 064	0	290	76 884
Nepal	-1	33	-134 971	0	39	-119 957
Pakistan	61 163	223	994	0	1 914	95 792
Papua New Guinea	3	4	14	0	0	1 350
Solomon Islands	0	0	0	0	0	556
Sri Lanka	22 031	18 537	19 072	0	7 790	159 149
Thailand	20	163	6 989	0	796	61 692
Vietnam	24 070	4 356	75 694	0	90 205	330 174
East Timor	6	9	28	0	200	38 444
Asia Total	52 986	42 441	100 053	0	131 664	1 724 549
Middle East and North Africa						
Algeria	0	0	0	0	0	2 734
Egypt	3 853	234	200	0	1 493	16 349
Iraq	40 304	22	116	0	1 426	111 213
Iran	0	0	0	0	0	-43
Yemen	0	16	22	0	519	5 387
Jordan	275	13	18	0	70	1 062
Lebanon	30 327	27	21	0	296	61 656
Morocco	3 248	19	4 317	0	29	8 706
Syria	5 322	14	57	0	8	7 180
Tunisia	1 621	7	679	0	0	5 790
West Bank and Gaza	25 747	4 535	2 056	0	13 625	347 995
Middle East and North Africa total	110 697	4 888	7 488	0	17 466	568 029
Regional Asia, Middle East and North Africa	33 233	25 384	170 711	0	3 254	494 209
TOTAL ASIA, MIDDLE EAST AND NORTH AFRICA	196 916	72 713	278 252	0	152 383	2 787 344

Annex 2. cont. International development cooperation by main sector and region/country, expenses in SEK '000

Country and region	Health	Education	Research	Democratic governance and human rights	Conflict, peace and security	Humanitarian assistance
LATIN AMERICA						
Argentina	836	1 191	0	2 607	8	0
Bolivia	9 511	48 534	29 497	54 061	3 158	929
Brazil	2 264	4 626	0	12 345	206	0
Chile	54	16	0	1 370	0	0
Colombia	476	473	0	61 338	38 605	24 880
Costa Rica	184	226	0	1 737	107	0
Dominican Republic	9	0	0	368	6	625
Ecuador	139	419	0	2 180	7	0
El Salvador	640	623	0	22 156	163	-2
Guatemala	16 214	954	0	115 287	1 845	14 309
Haiti	20	20	0	4 664	10	10 709
Honduras	8 713	733	9 116	75 733	151	124
Jamaica	0	0	0	0	144	186
Cuba	12	28	0	652	0	0
Mexico	52	56	0	163	432	558
Nicaragua	59 528	953	28 024	74 525	132	12 000
Panama	120	391	0	311	7	0
Paraguay	184	342	0	6 264	174	0
Peru	378	1 010	0	18 331	2 733	14 105
Uruguay	10	0	0	541	9	0
Venezuela	0	0	0	2	0	0
Regional Latin America	31 273	6 598	35 200	148 319	3 967	16 522
TOTAL LATIN AMERICA	130 616	67 193	101 837	602 953	51 865	94 945

Annex 2. cont. **International development cooperation by main sector and region/country**, expenses in SEK '000

Country and region	Infrastructure	Trade, industry and financial systems	Natural resources and environment	Budget support for poverty reduction	Other	Total
LATIN AMERICA						
Argentina	0	172	813	0	255	5 884
Bolivia	534	6 790	21 796	0	7 017	181 828
Brazil	362	509	5 845	0	982	27 140
Chile	0	211	374	0	135	2 160
Colombia	0	93	865	0	2 414	129 145
Costa Rica	1 477	352	2 445	0	781	7 309
Dominican Republic	0	0	0	0	8	1 015
Ecuador	0	27	264	0	329	3 365
El Salvador	708	347	2 761	0	695	28 091
Guatemala	20 537	306	22 645	0	8 212	200 311
Haiti	2	2	7	0	0	15 433
Honduras	12 854	414	20 062	0	12 552	140 450
Jamaica	0	1 316	0	0	0	1 646
Cuba	0	5	29	0	1 018	1 744
Mexico	0	11	58	0	16	1 345
Nicaragua	7 924	378	68 353	0	37 865	289 683
Panama	0	21	30	0	37	918
Paraguay	868	391	3 292	0	800	12 315
Peru	0	163	1 576	0	1 159	39 455
Uruguay	100	43	1 311	0	166	2 179
Venezuela	0	0	0	0	0	2
Regional Latin America	12 583	10 066	37 428	0	14 384	316 340
TOTAL LATIN AMERICA	57 949	21 619	189 953	0	88 827	1 407 756

Annex 2. cont. International development cooperation by main sector and region/country, expenses in SEK '000

Country and region	Health	Education	Research	Democratic governance and human rights	Conflict, peace and security	Humanitarian assistance
EUROPE						
ODA-countries						
Albania	11 881	664	0	52 234	127	124
Armenia	58	196	0	10 003	1 952	3 110
Azerbaijan	0	0	0	6 110	1 000	2 040
Bosnia and Herzegovina	4 909	6 301	0	104 630	2 649	4 138
Georgia	521	111	0	26 861	7 006	2 040
Kazakhstan	95	202	0	3 136	812	0
Kyrgyzstan	28 882	949	0	4 575	872	0
Kosovo	2 746	961	0	41 522	5 325	0
Croatia	8 508	668	0	26 314	0	0
Macedonia	2 088	1 668	0	47 699	1 267	807
Moldova	12 502	3 971	1 141	46 714	532	0
Montenegro	1 199	332	0	28 507	0	0
Serbia	3 567	2 450	0	73 734	161	-43
Tajikistan	24 840	460	0	21 563	1 679	3 976
Turkey	80	0	0	32 961	-1	0
Ukraine	9 524	662	0	48 492	6 050	0
Uzbekistan	5 057	196	0	148	3	0
Belarus	15 595	498	0	21 853	410	0
Regional Europe	5 278	12 942	0	21 533	1 089	6 309
ODA-countries Total	137 329	33 230	1 141	618 590	30 932	22 501
Non-ODA countries						
Bulgaria	0	0	870	1 143	0	0
Estonia	0	0	0	0	0	0
Latvia	-109	0	0	0	0	0
Lithuania	0	0	0	130	0	0
Poland	0	0	0	101	0	0
Romania	0	0	0	2 096	0	0
Russia	58 286	6 567	0	78 180	1 656	38 518
<i>Barents</i>	3 439	2 500	0	8 013	0	0
<i>Other Russia</i>	54 847	4 067	0	70 167	1 656	38 518
Czech Republic	0	0	0	210	0	0
Regional Central and Eastern Europe	202	0	0	-231	0	0
Non-ODA countries	58 379	6 567	870	81 629	1 656	38 518
TOTAL EUROPE	195 708	39 798	2 011	700 218	32 587	61 018
Global	419 119	111 944	551 143	571 420	84 550	180 913
TOTAL	1 973 995	696 426	1 043 689	3 637 173	479 686	1 933 651

Annex 2. cont. International development cooperation by main sector and region/country, expenses in SEK '000

Country and region	Infrastructure	Trade, industry and financial systems	Natural resources and environment	Budget support for poverty reduction	Other	Total
EUROPE						
ODA-countries						
Albania	6 055	0	9 141	0	4 204	84 429
Armenia	0	11	8 690	0	16	24 035
Azerbaijan	0	0	0	0	0	9 150
Bosnia and Herzegovina	71 277	7 463	35 464	0	5 622	242 452
Georgia	0	22	31 714	0	3 066	71 342
Kazakhstan	0	19	69	0	28	4 361
Kyrgyzstan	0	27	13 475	0	185	48 965
Kosovo	9 302	-105	5 273	0	3 953	68 978
Croatia	0	0	5 714	0	2 022	43 226
Macedonia	500	-14	39 566	0	3 399	96 978
Moldova	16 835	178	28 240	0	2 529	112 641
Montenegro	5 084	0	1 448	0	0	36 569
Serbia	11 357	4 501	24 138	0	7 780	127 645
Tajikistan	0	2 897	37 256	0	3 259	95 930
Turkey	0	0	1 318	0	85	34 443
Ukraine	20 267	18 933	10 630	0	2 735	117 292
Uzbekistan	0	11	15	0	16	5 447
Belarus	1 944	7 265	6 153	0	26	53 744
Regional Europe	552	269	45 959	0	816	94 748
ODA-countries Total	143 174	41 475	304 262	0	39 743	1 372 375
Non-ODA countries						
Bulgaria	0	720	0	0	0	2 733
Estonia	0	0	605	0	0	605
Latvia	0	175	-2	0	0	64
Lithuania	0	0	42	0	0	172
Poland	0	0	0	0	0	101
Romania	0	0	0	0	0	2 096
Russia	9 244	4 784	95 905	0	1 057	294 196
Barents	2 282	0	1 356	0	300	17 889
Other Russia	6 962	4 784	94 548	0	757	276 307
Czech Republic	0	0	0	0	0	210
Regional Central and Eastern Europe	0	0	293	0	0	264
Non-ODA countries	9 244	5 679	96 842	0	1 057	300 440
TOTAL EUROPE	152 417	47 154	401 104	0	40 800	1 672 815
Global	177 761	295 423	451 571	0	428 572	3 272 419
TOTAL	957 555	628 637	2 007 098	966 250	1 044 671	15 368 831

Annex 3. Total expense excluding personnel financed by specific appropriations, expenses in SEK '000

The five main countries by operational area in 2007	Africa	Asia	Middle East and North Africa	Latin America	Eastern Europe and Central Asia	Global development programmes
Mozambique	651 927					
Tanzania	654 823					
Zambia	350 103					
Kenya	270 008					
Uganda	228 773					
Other countries/regions Africa	2 133 263					
Total expenses	4 288 896					
Afghanistan		333 907				
Vietnam		273 062				
Bangladesh		195 379				
Laos		121 196				
Cambodia		111 913				
Other countries/regions Asia		742 228				
Total expenses		1 777 685				
West Bank and Gaza			165 450			
Iraq			75 796			
Lebanon			37 004			
Morocco			7 989			
Egypt			7 844			
Other countries/regions MENA			74 692			
Total expenses			368 775			
Nicaragua				232 134		
Guatemala				183 032		
Honduras				120 666		
Bolivia				113 030		
Colombia				94 538		
Other countries/regions Latin America				224 891		
Total expenses				968 292		
Russia					255 678	
Bosnia and Herzegovina					227 372	
Serbia					116 362	
Ukraine					106 783	
Moldovia					103 651	
Other countries/regions Eastern Europe and Central Asia					710 908	
Total expenses					1 520 754	
Main sectors*						
Health	857 199	266 365	19 018	114 099	188 904	401 805
Education	172 385	227 611	0	42 882	34 391	88 040
Research	4 996	22 877	0	806	2 011	30 618
Democratic governance and human rights	765 299	493 377	134 184	471 051	648 957	293 150
Conflict, peace and security	95 155	25 443	62 325	43 773	28 821	1 735
Humanitarian assistance	29 614	10 117	0	13 954	1 070	0
Infrastructure	347 825	224 783	108 851	50 861	150 382	176 866
Trade, industry and financial systems	165 525	50 863	14 309	15 356	40 668	231 087
Natural resources excl. environment	600 649	342 358	18 128	149 978	386 136	436 356
Budget support for poverty reduction	953 289	0	0	0	0	0
Other	296 958	114 396	13 711	66 624	39 415	248 092
Total expenses	4 288 895	1 778 190	370 525	969 384	1 520 754	1 907 748

* The expense of personnel financed by specific appropriations is based on a template of how personnel time has been allocated by main sector. If this template has led to negative figures, these have been adjusted to zero, and the totals for country and main sector therefore do not agree.

Abbreviations

2007



Abbreviations and acronyms

AAN	African Archaeologists' Network
ACP	Countries in Africa, the Caribbean and the Pacific Ocean region
ADB	Asia Development Bank
AERC	African Economic Research Consortium
AFEW	Aids Foundation East-West
AFSC	American Friends Service Committee
AHPSR	Alliance for Health Policy and Systems Research
AIT	Asian Institute of Technology
ALA	EU's executive committee for Asia and Latin America
AMM	Aceh Monitoring Mission (EU assignment in Indonesia)
APWLD	Asia-Pacific Forum on Women, Law and Development
ARTF	Afghanistan Reconstruction Trust Fund
ASYCUDA	Automated Systems for Customs Data Administration
AU	African Union
AWEPA	Association of Western Parliamentarians for Africa
BBE	Bilateral Associate Expert
BEHTRUWC	Basic Education for Hard to Reach Urban Working Children Project
BEST	Business Environment Strengthening for Tanzania (BEST programme)
BIO-EARN	Biotechnology, biosafety and biopolicy in East Africa
BRAC	Bangladesh Rural Advancement Committee
CAC	Codex Alimentarius Commission
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CBDC	Community Biodiversity Development and Conservation Programme
CEP	Core Environmental Programme
CEPRESI	Center for Education and Prevention of Aids
CGAP	Consultative Group to Assist the Poor
CIP	International Potato Centre
CIVICUS	Worldwide Alliance for Citizen Participation
CLACSO	Consejo Latinoamericano de Ciencias Sociales
CODESRIA	Council for the Development of Social Science Research in Africa

CPDC	Conflict Peace and Development Cooperation
DAC	Development Assistance Committee (of the OECD)
DDG	Danish Demining Group
DFID	Department for International Development (UK)
DGDEV	Directorate General for Development (EU)
DI	Dramatic Institute
DRC	Democratic Republic of Congo
EAC	East African Community
EAR	European Agency for Reconstruction
EBRD	European Bank for Reconstruction and Development
ECCP	EU's Climate Programme
ECHO	European Community Humanitarian Office
ECLAC	Economic Commission for Latin America and the Caribbean
ECOWAS	Economic Community of West African States
EDF	EU's Committee for the developing countries in Africa, Caribbean and the Pacific Ocean
EIDHR	European Initiative for Democracy and Human Rights
EIB	European Investment Bank
EMVI	European Malaria Vaccine Initiative
EPA	European Partnership Agreements
ESAMI	Eastern and Southern Africa Management Institute
ESCAP	Economic and Social Commission for Asia and the Pacific
EU	European Union
EUEI	EU's Energy Initiative
EU-ESDP	EU's Security and Defence Policy
FAO	Food and Agriculture Organisation
FBA	Folke Bernadotte Academy
FIAS	Foreign Investment Advisory Service
FIDH	International Federation for Human Rights
FIGO	Federation of International Gynaecologists and Obstetricians
FIRST	Financial Sector Reform and Strengthening Initiative
FLACSO	Facultad Latinoamericana de Ciencias Sociales (network for social sciences in Central America)
FONDEAGRO	Fondo de Desarrollo Agropecuario
FTI	Fast Track Initiative

GAM	Gerakan Aceh Merdeka (resistance movement in Indonesia)
GATT	General Agreement on Tariffs and Trade
GAVI	Global Alliance for Vaccines and Immunization
GICHD	Geneva International Center for Humanitarian Demining
GOVNET	Network on Governance (international forum for development cooperation)
GSO	General Statistics Office (Vietnam)
GWP	Global Water Partnership
HABITAT	United Nations Human Settlements Programme
HAC	Humanitarian Aid Committee
HBT	Homosexual, bisexual and transsexual persons
HELCOM	Helsinki Committee—Action Programme for the Baltic Sea
HIPC	Heavily Indebted Poor Countries
HIV	Human Immunodeficiency Virus
IA	International Alert
IADB/IDB	Inter American Development Bank
IAPSO	Inter-Agency Procurement Services Office
IBFAN	International Baby Food Action Network
ICFTU	International Confederation of Free Trade Unions
ICIPE	International Centre of Insect Physiology
ICMA	International Consortium for Medical Abortions
ICRAF	International Centre for Research in Agroforestry
ICRS	International Commission of the Red Cross
ICT	Information and Communications Technology
ICT4D	ICT for Development
ICTP	International Centre for Theoretical Physics
ICTSD	International Center for Trade and Sustainable Development
IEA	Integrated Economic Analysis
IF	Integrated Framework for Trade-Related Capacity Building in LDCs
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFEX	International Freedom of Expression Exchange
IFRTD	International Forum for Rural Transport and Development
IFRC	International Federation of the Red Cross and Red Crescent

IGAD	Intergovernmental Authority on Development
IIED	International Institute for Environmental Development
IIEP	International Institute for Educational Planning
ILO	International Labour Office
IMF	International Monetary Fund
IMO	International Maritime Organization
INDETPH	International network consisting of 38 websites for surveillance of health-research in Africa, Asia and Latin America
IOM	International Organisation for Migration
IPA	Instrument of Pre-Accession Assistance (EU's future instrument for funding)
IPGRI	International Plant Genetic Resources Institute
IPPF	International Planned Parenthood Federation
ISAF	International Security Force in Afghanistan
ISDR	International Strategy for Disaster Reduction
ISO	International Standardisation Organisation
ISP	International Science Programme
ISS	Institute for Social Studies
IT	Information Technology
ITC	International Trade Centre
IUCN	World Conservation Union
IUF	International Union of Food, Agriculture, Hotel, Restaurant, Catering, Tobacco and Allied Workers Association
IVI	International Vaccine Institute
JED	Junior Experts to the Delegation
JPO	Junior Professional Officer
LDC	Least Developed Countries
LFA	Logical Framework Approach (tool for project planning and administration)
LMD	Labour Market Dialogue
LRA	Lords Resistance Army, Uganda
LTTE	Liberation Tigers of Tamil Eelam (resistance movement in Sri Lanka)
LWF	Lutheran World Federation
MAG	Mine Advisory Group
MAMTA	Health Institute for Mother and Child, New Delhi, India
MAINIAC	Mainstreaming in Action

MDG	Millennium Development Goals
MDF	Multi Donor Fund
MEDA	EU's committee for the Mediterranean region
MIF/IFAD	Multilateral Investment Fund/International Fund for Agricultural Development
MINIGUA	United Nations mission in Guatemala
MIM	Multilateral Initiative on Malaria
MRC	Mekong River Commission
NAFRI	National Agriculture and Forestry Research Institute
NALEP	National Agriculture and Livestock Extension Programme
NALF	Namibia Agriculture Labour Forum
NDEP	Nordic Dimension Environmental Partnership
NEC	National Environment Committee
NEFCO	Nordic Environment Finance Corporation
NEPAD	New Partnership for Africa's Development
NETROPICA	Network for Research and Training in Tropical Diseases in Central America
NGO	Non-Governmental Organisation
NHA	National Health Accounts
NIB	Nordic Investment Bank
NORAD	Norwegian Agency for Development Cooperation
NORDIC+	Group consisting of the Nordic countries plus Ireland, the Netherlands and Great Britain
NSEDP	National Socio Economic Development Plan
OAS	Organization of American States
ODA	Official Development Assistance (given to countries classified by OECD as developing countries)
OECD	Organization for Economic Co-operation and Development
ODHIR	Office for Democratic Institutions and Human Rights
OSCE	Organization for Security and Cooperation in Europe
OSSREA	Organisation for Social Science Research In Eastern and Southern Africa
PAHO	Pan American Health Organization
PARPA	Strategy Document for the Reduction of Poverty and Promotion of Economic Growth
PCS	Project Counselling Service (for strengthening peace initiatives in civil society in Colombia)
PEAP	Poverty Eradication Action Plan
PEFA	Public expenditure and financial accountability
PRISED	Poverty Reduction through Integrated Small Enterprise Development

PPP	Public-private partnership
PROANI	Programa Avante Niassa (Sida's programme in Niassa province in Mozambique)
PRS	Poverty Reduction Strategy
RHSC	Reproductive Health Security Commodities
RIATT	Regional Inter-Agency Task Team
SADC	Southern Africa Development Community
SAMOUZA	Towards safer motherhood in southern Africa in the era of Aids
SCSC	Sida Civil Society Centre
SEAL	Support to the Establishment of the Afghan Legislature
SEI	Stockholm Environment Institute
SEMLA	Strengthening Environmental Management and Land Administration
SENSA	Swedish Environment Secretariat for Asia
SEWA	Self-Employed Women's Association
SIPRI	Stockholm International Peace Research Institute
SIWI	Stockholm International Water Institute
SLMM	Sri Lanka Monitoring Mission
SRHR	Sexual and Reproductive Health and Rights
SSATP	Sub-Saharan Africa Transport Policy Programme
STEPS	Social Transformation and Empowerment Analysis
SWEDBIO	Swedish Biodiversity Centre
TDR	Tropical Disease Programme (WHO's programme for new vaccines and medicines for malaria and tuberculosis)
TEC	Tsunami Evaluation Coalition
TI	Transparency International
TIPH	Temporary International Presence in the City of Hebron
TPTCA	Trade Policy Training Centre in Africa
TRALAC	Trade Law Centre for Southern Africa
TWAS	Third World Academy of Sciences
TWOWS	Third World Organisation for Women in Science
UN	United Nations
UNAIDS	Joint United Nations Programmes on HIV/Aids
UNCHR	United Nations Commission on Human Rights
UNCTAD	United Nations Conference on Trade and Development
UNDCP	United Nations Drug Control Programme

UN-DHA	United Nations Department of Humanitarian Affairs
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNFPA	United Nations Population Fund
UN-HABITAT	United Nations Human Settlements Programme
UNHCHR	United Nations High Commissioner for Human Rights
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Emergency Fund
UNI	Union Network International
UNIDO	United Nations Industrial Development Organization
UNIFEM	United Nations Development Fund for Women
UNISDR	United Nations International Strategy for Disaster Reduction
UN-LIREC	United Nations Centre for Peace, Disarmament and Development in Latin America and the Caribbean
UNMAS	United Nations Mine Action Service
UNMIK	United Nations Interim Administration Mission in Kosovo
UNODC	United Nations Office for Drugs and Crime
UNOCHA	United Nations Office for the Coordination of Human Affairs
UNOPS	United Nations Office for Project Services
UNRISD	United Nations Research Institute for Social Development
UNRWA	United Nations Relief and Work Agency for Palestinian Refugees in the Near East
UNSC	United Nations Staff College
UNTCA	United Nations Technical Cooperation Activities
UNV	United Nations Volunteers
UN/WIDER	World Institute for Development Economics Research
USAID	U.S. Agency for International Development
UWONET	Uganda Women's Network
WABA	World Alliance for Breastfeeding Action
WARDA	West Africa Rice Development Association
WCO	World Customs Organisation

WFP	World Food Programme
WHO	World Health Organization
WHO/TDR	World Health Organization's Tropical Disease Research
WIEGO	Women in Informal Employment: Globalizing and Organizing
WMU	World Maritime University
WP-EFF	Working Party of Aid Effectiveness and Donor Practices
WRI	World Resources Institute
WTO	World Trade Organization
WWF	World Wildlife Fund

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The overall goal of the Swedish policy for global development is to contribute to equitable and sustainable global development. The goal of Swedish development cooperation is to contribute to an environment supportive of poor people's own efforts to improve their quality of life. This goal is well in line with the international commitment to halve the proportion of people living in absolute poverty in the world by 2015. It emphasises that poor people themselves have the power to change and develop their communities if they are given the opportunity.

Swedish development cooperation shall promote, and be characterised by, the following central component elements:

Fundamental values:

- respect for human rights
- democracy and good governance
- equality between women and men

Sustainable development:

- sustainable use of natural resources and protection of the environment
- economic growth
- social development and social security

Other component elements:

- conflict management and security
- global public goods

Sida's contributions are based on the changes that the partner countries wish to implement themselves and are prepared to allocate resources to. Development can never be created from the outside. Sida's mission is to make a careful analysis of the types of contributions that can achieve the desired results and strengthen the possibilities available to poor people to improve their living conditions. Sida conducts a dialogue with the partner countries, contributes to capacity development, and provides capital.

The leaders of the world reached agreement on a number of concrete goals to reduce poverty at the UN Millennium Summit Meeting. The principal Millennium Development Goal is to halve the proportion of poor people in the world by 2015. There are good possibilities of achieving the goal if the world's leaders make a strong effort and allocate resources.

Do you want to know more?

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