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Lessons Learned Study

Krister Eduards
Michail Krivonos
Lars Rylander

LESSONS LEARNED FROM DEVELOPMENT COOPERATION WITH RUSSIA

Swedish support to the reform process 1991–2008
Main Report





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The views and interpretations expressed in this report are those of the authors and do not necessarily reflect those of the Swedish International Development Cooperation Agency, Sida.

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Preface

As Swedish support to the reform process in Russia after the dissolution of the Soviet Union in 1991 is phased out and closed down, Sida, the Swedish Institute and the Swedish Ministry for Foreign Affairs have determined to document this cooperation and its results. This report summarises the last 17 years' cooperation within the framework of government development cooperation – cooperation that has involved a large number of participating actors including government agencies, companies, municipalities and organisations on both the Swedish and the Russian sides.

Part of this picture is that Swedish support to the reform process in Central and Eastern Europe has enjoyed broad political support from all parties in Sweden. A number of Social Democratic and Right Wing Alliance governments have been in full agreement concerning the goals and emphases of East Cooperation. This has brought both power and continuity to these activities.

This report presents a specially detailed examination of support within the social sectors and the environmental area. Cooperation in these fields has been multi-faceted – a wide variety of actors from both sides have been involved, and this cooperation possesses, in many cases, good preconditions for continued activities in more regulated forms without aid elements. More detailed reports on activities within the environmental sector and within the social sectors are found in chapters 5 and 6 of this report.

While this summarised report on Swedish reform support to Russia was being written there were still a number of cooperation projects underway, the majority in their final phases. In the environmental and HR areas certain new projects have been undertaken in accordance with government decisions. These, however, are being carried out parallel with development cooperation.

This report has been written by Krister Eduards from the Stockholm Group for Development Studies AB, together with Lars Rylander from SPM Consultants and with the support of Michail Krivonos, St Petersburg University.



Anders Nordström

Director-General
Sida



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Abbreviations and acronyms

AIDS	Acquired Immune Deficiency Syndrome
BAT	Best Available Techniques
BITS	Beredningen för Internationellt Tekniskt Samarbete, merged with Sida in 1995.
BOD	Biandemical Oxygen Demand
BRIS	Barnets Rätt in Samhället (Children's Rights in Society)
CAS	Country Assistance Strategy, World Bank
CBC-SPF	Cross-Border Cooperation Programme Small Projects Facility
CBSS	Council of Baltic Sea States
CEES	Common European Economic Space
Centek	Foundation owned by Luleå University of Technology, Piteå and Luleå municipalities
CIDA	Canadian International Development Agency
CIS	Commonwealth of Independent States
CPS	Cooperation Partnership Strategy, World Bank
CSP	Country Strategy Paper, European Commission
DfID	UK Department for International Development
ECAD	European Cities Against Drugs
EBRD	European Bank for Reconstruction and Development
EC	European Community
EIDHR	European Initiative for Democracy and Human Rights
ENPI	European Neighbourhood and Partnership Instrument
EU	European Union
FATF	Financial Action Task Force
FOJO	Media Institute at University of Kalmar
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
HELCOM	Helsinki Convention on the Baltic Sea environment
HIV	Human Immune Deficiency Virus
HLG	High Level Group IAS International Accounting Standards
IBI	International Banking Institute
IBPP	Institutional Building Partnership Programme
IBRD	International Bank for Reconstruction and Development (World Bank)
ICT	Information and Communications Technologies
IFC	International Finance Corporation (World Bank)
IFI	International Financing Institution
ILO	International Labour Organisation
IMF	International Monetary Fund
IMO	International Maritime Organisation
IOGT-NTO	Knights Good Templar movement, sobriety movement in Sweden
IOM	International Organization for Migration
KIBS	Kaliningrad International Business School
KRIS	Criminals' Return into Society – NGO
LIEN	Link Inter European Non-Governmental Organisations
LRF	The federation of Swedish Farmers
MDLF	Media Development Loan Fund
MDG	Millennium Development Goals

MSPS	Moscow School of Political Studies
NAP	National Action Programme
NCU	National Coordination Unit
NDEP	Northern Dimension Environmental Programme
NEFCO	Nordic Environmental Finance Corporation
NGO	Non-Governmental Organisation
NIB	Nordic Investment Bank
NIRAS	Nordic consultancy company within infrastructure and environment
NIP	National Indicative programme
NIS	New Independent States
NUTEK	Swedish Agency for Economic and Regional Growth
ANDA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OPC	Olof Palme International Center
PAP	Policy Advice Programme
PAR	Public Administration Reform
PCA	Partnership and Co-operation Agreement
PMU	Life Pentecostal Mission's development cooperation organisation
RNS	The Swedish National Association for a Drug-free Society
PSA	Production Sharing Agreement
RF	Russian Federation (Russian-Rossijskaja Federatsija)
RFPA	Russian Family Planning Association
SALA-IDA	Swedish Assoc. of Local Authorities and Regions International Development Agency
SDR	Special Drawing Rights
SHIA	Swedish Organisations' of Disabled Persons International Aid Association
SI	Swedish Institute
SIA	Sustainability Impact Assessment
SIDA	Swedish International Development Agency (up to 1995)
Sida	Swedish International Development Cooperation Agency (from 1995)
SKL	Swedish Association of Local Authorities and Regions
SME	Small and Medium-sized Enterprises
SMR	Swedish Mission Council
SPP	Small Projects Programme
SRH	Sexual and reproductive health
SRHR	Sexual and reproductive health and rights
SWWTP	South-West Wastewater Treatment Plan
TA	Technical Assistance
TACIS	Technical Assistance to the Commonwealth of Independent States
TBT	Technical Barriers to Trade
TEMPUS	Trans-European cooperation scheme for higher education
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNHCR	United Nations High Commissioner for Refugees
UNSCR	United Nations Security Council Resolution
USAID	United States Agency for International Development
VET	Vocational Education Training
WHO	World Health Organisation
WFP	World Food Programme
WSSD	World Summit on Sustainable Development
WTO	World Trade Organisation
WWF	World Wildlife Fund
ÖEK	Health and Medical Care Eastern Europe Committee reporting to National Board of Health and Welfare

1. Transition and reforms in Russia since 1991

In December 1991 a root and branch paradigm shift occurred in Russia for the second time in the same century. 1917 had seen the October Revolution crush the Tsar and establish the Soviet system. Seventy-four years later the leadership of the Soviet, after several failed attempts during the 1970s and 1980s to reform the Soviet system, came to the conclusion that it could not be reformed – it had to be exchanged for a market economic system. The Soviet Union was dissolved.

The 1990s

When this dissolution occurred – President of the Russian Socialist Soviet Republic Boris Yeltsin being one of the driving forces – the previous Soviet republics became independent states of varying political profiles. In Russia, radical economic reform was initiated early on which brought the privatisation of state enterprises and the liberalisation of the market and trade.

With the aim of rapidly achieving thorough economic restructuring “shock therapy”, as it was termed, was implemented starting in October 1991 in accordance with international advice primarily from the IMF, which led to the reduction of production of goods by half up to 1995. At the beginning of this phase the shortage of food, goods etc. was acute. Companies’ solvency problems led to substantial, long-drawn-out delays in paying salaries. According to World Bank statistics, the share of the population living in poverty increased from 1.5 percent during the Soviet period to between 40 and 50 percent in 1993.

Large-scale privatisation of state enterprises was implemented, in many cases without carrying out the necessary preparations and without any satisfactory level of control. Due to this privatisation, which often included corruption and other criminal elements (including the organised type) a group of individuals, known as the oligarchs, with good contacts in government and among criminal groups, were able to acquire large parts of what was previously common, state property.

This process was enabled by the accelerating deterioration of public services – not least of medical care and education. Broad groups of people felt that they had fallen into poverty. In this manner, early reform policies in Russia created a mistrust among the majority of the population as concerns western democracy and the market economy.

Increasingly strong resistance to the reform policies resulted in a constitutional crisis in 1993. President Jeltsin dissolved the legislature who opposed both current policies and a proposed strengthening of presidential power. Army forces were moved against Parliament buildings. As a result of the constitutional crisis a new constitution was developed which was approved by referendum in December of 1993.

The new constitution gave Russia a new name – the Russian Federation. Its Head of State – the President – is elected in general elections for a mandate period of four years and may be re-elected only once. The legislature has two chambers, the Federation Council and the State Duma. The Constitution includes a series of elements that are intended to create a power balance between the President, Parliament and Government as well as between the state executive, legislative and legal functions.

The new Constitution became the framework for a course of parliamentary development in Russia with no equivalent in Russian history. Almost one hundred years previously, the embers of a parliamentary democracy had been kindled, only to be extinguished by the Bolshevik Revolution of 1917. Now in the 1990s, new political parties were created together with a diversity of NGOs and other actors with political or socially-oriented profiles, often with foreign inspiration and support. A vital, open democratic life began to emerge, supported by the now independent mass media, especially TV. Decision-making authority was delegated from federal to provincial level at the same time as democratic rights were recognised. Lack of experience of parliamentary activities and of democratic traditions did, occasionally, cause problems (including serious problems) with the functioning of the political system. Not the least of these problems being the transfer of the age-old tradition of corruption into the new society.

One of the cornerstones of the reform policy was to create an independent, constitutional legal system. The revision of existing, and preparation of new, legislation was undertaken parallel with the strengthening of the legal structure in the country. The legal basis of a democratic society with a market economy was to be created. Much of the planned legislation was actually put in place at the same time as confidence in the integrity of the legal system was limited by the corruption issue.

While state enterprises were generally privatised during the nineties, the land remained in the ownership of the state. Privatisation of land proved to be problematic and politically sensitive. Access to the country's large-scale forestry resources was retained in public ownership. Within agriculture, the sovkchos and kolchos were dissolved which led to a partial privatisation of operations. However large parts of agricultural oper-

ations were abandoned which in many places led to unemployment and insufficient supply of foodstuffs. The reform policies in the social sectors meant both modernisation and streamlining of public services as well as closing down of services and facilities. Within medical care, large-scale, costly specialised care institutions had to be complemented, and to a certain extent replaced by, extended primary care. The construction of social services, which had not existed in the Soviet Union, began at municipal level. The education system, like the other social sectors, was suffering from chronic lack of funding which exacerbated the corruption problem that had survived from the previous regime.

Altogether the picture of the reform efforts of the 1990s in Russia is mixed. It shows considerable advances and success in terms of institutional and legal development, in which citizens were afforded freedoms and rights that had been repressed for almost a century. In addition many of the economic reforms of the 1990s laid the foundation for strong economic growth, which in turn has enabled the stability policies that followed. However, in many cases this reform process appears to have moved too rapidly, had been insufficiently prepared and often lacked the institutional and democratic control that would have been necessary to be able to consolidate advances and enjoy the continued confidence of the citizens. Broad groups of the population came to regard the results of the reforms as theft by oligarchy of previously common property, growing unemployment and poverty, and lack of political stability. Confidence in parliamentary democracy was chipped away. The reform efforts of the 90s would have done better in many cases to consider the preconditions prevailing in Russian society in order to be able to plan development results.

A new century

With the election of Vladimir Vladimirovich Putin as President of the Russian Federation in 2000, a second, Post-Soviet political phase was initiated in Russia. President Putin signalled very early on how sceptical he was to large parts of the implemented reforms, especially within the political area. His expressed goal was to reintroduce the “power vertical”, that had been the backbone of the Soviet system of governance. President Putin also felt that the dissolution of the actual Soviet Union was a geopolitical catastrophe. Policies aimed at reclaiming much that had been dissipated in the 1990s were initiated.

Gradually the delegation and decentralisation of administration has been drawn back, at the same time as new instruments for federal governance have been added. A series of changes to the body of regulations and their application as concerns general elections has led to the situation where Par-

liament no longer fulfils the constitutionally stated democratic function, i.e. to carry out democratic control of the executive. The reform-oriented liberal parties have lost a lot of their previous support and are no longer represented in the State Duma. The reform of public administration that had been initiated has, generally speaking, stopped. In spite of expressed plans to decrease its size it has instead continued to grow.

After a crash landing in 1998, the negative economic trend took a turn upwards. Not least thanks to substantial rises in energy prices over the last few years, GNP in 2007 had regained its 1989 level, measured in real terms.¹ This growth has laid the foundation for a strong, expansive economy, especially in the energy sector. In industry, productivity development has been underway during the last few years based on increased capacity utilisation of production and on a transfer of labour force from agriculture. In spite of the fact that many of the 90s' new Russian owners of previous state enterprises have only limited ambitions to develop their production, Russian companies have increased their competitiveness, especially companies with foreign ownership participation. Domestic consumption has grown rapidly over the recent period especially in the major cities Moscow and St Petersburg.

However, if productivity is to continue to improve, reforms are essential, primarily within infrastructure, the financial sector, public administration, education and health care. Both Russian and international observers have noted that the pace of reform has decreased, and actually stopped in certain areas. One persistent problem is also the widespread corruption. Expressed priority assigned to the fight against corruption has, to date, been conspicuous by its absence – according to Transparency International – by 2007 Russia had sunk to 143 of 179 countries on the worldwide corruption list.²

If the 90s showed an extensive number of cases of state capture, in which individuals or companies acquired control of parts or functions of the state sector and used them for their own ends, reverse state capture can be noted in the country today.

Individuals and groups within the administration, primarily at federal level, use the administration's resources to regain – or gain – control of companies and other economic resources. In this manner and in certain cases, control of previously state-owned resources, especially within the energy sector, is moved back to government employees. These become, generally speaking, personal owners of these resources which means that the process results rather in a redistribution between stakeholders. Resources of enormous value have

1 EBRD, 2007/2

2 Transparency International, 2007

changed hands during the last five-year period. Increased activity among state employees, especially aimed at taking control of energy resources, has also affected foreign owners.

The substantial increase in international energy prices has contributed to the considerable strengthening of the state economy. Large amounts of this income have been placed in a stabilisation fund. This fund, which at the beginning of 2008 contained more than USD 150 billion, was then divided into a reserve fund and a welfare fund.

In summary the transition in Russia within the framework of a transfer from a one-party state to democracy, from a plan economy to a market economy, including the privatisation of land and a forest reform has slowed down. In certain areas the change process has turned back in the direction of the previous situation. The development situation in the country is currently characterised by political stability and economic dynamism. Clearly the country's development is in a consolidation phase. The label transition economy appears to be no longer relevant. The system shift and the major system adaptations in Russia after the dissolution of the Soviet Union are probably now complete.

2. Political priorities and goals for Russian cooperation

2.1 POLITICAL PRIORITIES AND OVERALL GOALS

In the autumn of 1989, Swedish governmental support to the initial reform process in Central and Eastern Europe began in the form of certain activities in Poland. After the dissolution of the Soviet Union in 1991, Swedish support to the reform process in Central and Eastern Europe expanded to become extensive Swedish reform support aimed at countries' sovereignty, at their transformation into democratic market economies and at their integration into European and other international cooperation. This cooperation, often called East Cooperation³, has involved a large number of Swedish government agencies, public and private institutions, organisations, companies, municipalities, conservation societies, county administrative boards, county councils etc. East Cooperation, in which Russia has taken an increasingly prominent place since the mid-90s, has been able to utilise a broad and diverse resource base in Sweden.

To the Swedish Government, the paradigm shift in Central and Eastern Europe at the beginning of the 90s, and the associated structural changes there, appeared to be the key issues of our time. One Social Democratic, one right wing, and then another Social Democratic and another right wing government have all assessed it as being vital to Swedish interests to provide broad political, economic and technical support to change processes in countries in Central and Eastern Europe.

Due to the rapid pace of change in its operational area, East Cooperation has been regulated by government in a series of multi-year programmes. Cooperation grew rapidly during its first years both in scope and number of Swedish actors. With its first Special Government Bill on East Cooperation in 1995⁴ the government formulated its task as contributing to consolidating the transition of Central and Eastern Europe and to integrating these countries in the new Europe.

This first Special Government Bill also ensured that East Cooperation was to be coordinated through the Ministry for Foreign Affairs. Consequently the Swedish reform support had been assigned its cohesive programme form, which still

³ This has also, due to the origin of the allocations, been formally entitled development cooperation however this has always been of a different character i.e. contributing to the reform of an already well-developed society.

⁴ Sweden's cooperation with Central and Eastern Europe, Bill 1994/95:160

persists. The majority of the support was administered by BITS and Swedecorp until 1995, when these were integrated into a new regional department (Sida-EAST) within Sida, later to become the European Department.

Other parts have been managed by the Swedish Institute (SI) or directly by the Swedish Government Offices (the Ministry for Foreign Affairs).

Up until 2003, East Cooperation was governed by four primary goals, generally unchanged since the beginning in 1989:

- to promote joint security,
- to develop democratic culture,
- to support socially sustainable economic transition, and
- to support environmentally sustainable development.

Additional, more operative, goals for East Cooperation have included that cooperation is to be characterised by a gender equality perspective and that it is to be aimed at sectors within which Sweden enjoys comparative advantages i.e. where the Swedish resource base possesses competence that is especially in demand. Furthermore the government has stated that support is to be coordinated with EU and other financiers and aimed at sectors that are of special importance to the regional development of the Baltic Sea/Barents area. In addition on various occasions it has been stated that development cooperation is to be aimed at measures that promote good neighbours.

With the 2003 Special Bill “Shared responsibility: Sweden’s Policy for Global Development”⁵, (PGU), the previous East Cooperation was merged with international development cooperation to form a cohesive programme. This Bill stated that the overall development cooperation goal was to create preconditions for poor people to improve their living conditions; in the future this was also to govern East Cooperation. At the same time the previous directives concerning East Cooperation remained, for example that the cooperation was to promote the various countries’ adaptation to European structures and their relationship to Sweden. In each country, Sweden was to work towards closer coordination between efforts to alleviate poverty and EU integration.

In the Government’s written communication to the Riksdag (Swedish Parliament) 2004/05:109⁶ it partially reverted to the previous situation. For cooperation with Russia “which in agreement with PGU is to create the preconditions for poor people to improve their living conditions, the overall goal will be to contribute to the country’s adaptation to European structures and traditions of cooperation. Such adaptation, whose core is the continued reform process, will contribute to

⁵ Shared Responsibility: Sweden’s Policy for Global Development, Bill 2002/03:122

⁶ Swedish development cooperation with countries in CIS and West Balkan, 2004/05:109

positive political, economic and social development in the country and consequently in the long term to the sustainable reduction of poverty. It will promote democracy, openness and respect for human rights, which in turn creates better opportunities to combat organised crime, corruption, human trafficking, drug dependency and communicable diseases. Cooperation is also to contribute to these countries moving close to Sweden and contributing to the transfer to normal neighbouring country cooperation.”

The Spring Bill of 2007⁷ the Government created, from 2008, a new policy area – Reform Cooperation in Eastern Europe – with the goal of strengthening democracy, just and sustainable development plus closer relationships with the EU and its value platform. The primary reason for this new policy area was the previous few years’ reforms and development in Eastern Europe which had brought about a reduction in poverty.

In its Spring Bill of 2007, the government stated that “considering the background which is Russia’s strong economic growth” it was now “natural to phase out Sweden’s development cooperation with Russia.” The government did feel, however, that there was a “Swedish interest in continued cooperation with Russia within the environment and nuclear safety areas, nuclear non-proliferation and human rights.” The government tasked Sida with three sub-goals for its cooperation with Russia in 2008: 1) to, using Swedish interests as a point of departure and for the benefit of Russia, contribute to the development of neighbouring country cooperation, 2) to contribute to the reduction of emissions of pollution into the Baltic Sea primarily from St Petersburg and Kaliningrad, and 3) through support to Russian HR organisations, promote respect for human rights in Russia.

While this report on Swedish reform support to Russia is being written – late summer and autumn of 2008 – there are still a series of cooperation projects underway, the majority in their final phase. In the environment and HR areas there are also no new decisions in accordance with instructions from government. The final, total balance sheet can consequently not yet be written, even if the overwhelming majority of cooperation projects have been completed and their results described in this report.

2.2 COOPERATION STRATEGIES

Country-specific East Cooperation has been governed by the cooperation strategies adopted by the Government of Sweden. The first strategy for cooperation with Russia, which covered the period 1996–1998, underlined the central importance of developments in Russia as concerned European integration activities and the establishment of a common security structure. Swedish activities were to support Russia's integration into the European network in different areas. The importance of Sweden's neighbouring country relationship with Russia was also emphasised and consequently Sweden's intention to involve the country in Baltic Sea cooperation and other important networks in which geographical proximity was of importance, for example regional cooperation in the Barents area. The strategy stated that Sweden, as a neighbouring country, was pursuing a number of its own interests as stronger neighbouring country links with Russia in the long term was assessed as producing extremely positive effects, and not only in the security policy field – in the commercial field as well.

The strategy stated that support generally would be aimed at strengthening confidence in reform policies in Russia, especially among the Russian population, through inputs aimed at institutional and system change. Primarily these were to occur at regional level, however it was anticipated that the results from limited, initial activities would then be disseminated, with or without Swedish support measures to also encompass federal structures. Cooperation would primarily be aimed at North West Russia, i.e. at the cities of St Petersburg, the Murmansk, Archangel, Leningrad, Pscov, Novgorod and Kalinin-grad counties and the Republic of Karelia. Inputs of strategic importance could, however, be implemented in other regions. Support at federal level in Moscow may also be considered. Cooperation with Russia was assigned a ten-year perspective in its country strategy, which provided both general guidelines for how support was to be designed and a relatively detailed list of the subject areas under each primary goal that Swedish support should concentrate on.

In its second strategy for Russian cooperation 1999–2001, the government stated that the high level of priority which had previously been allocated to Russia within East Cooperation would continue to characterise the following years “on the condition that the reform and democratisation process continues.” The previous country strategy's main emphases were re-confirmed. Cooperation was primarily to be aimed at strategic activities for transfer of knowledge and institutional development. In the environment and energy areas financing of investments may also be considered. Cooperation would focus

on the economic transition – business/industry, public administration, social insurance and social services. Cooperation concerning the promotion of mutual security would be developed. All cooperation activities would be characterised by “a gender equality perspective.” The primary geographical emphasis on North West Russia was again confirmed.

The third country strategy 2002–2004 for Swedish-Russian cooperation was established when the future phasing out of reform support to the Baltic – and consequently the availability of the equivalent capacity to expand cooperation with Russia – was in the offing. This strategy emphasised cooperation with business/industry and noted that the overall goal for “cooperation with countries in Central and Eastern Europe continues to be to promote sustainable development, extended integration and partnership in the Baltic area and its surroundings based on the needs of the cooperating countries while properly utilising the Swedish resource base.”

Three guiding concepts were to govern cooperation: “the promotion of system change and integration into the European cooperation structures, the promotion of relations with Sweden and to apply a gender equality perspective to all cooperation.” Cooperation was to contribute to broadening and strengthening the Russian “contact network with EU”, to “counteracting any lines of separation that have resulted from the expansion of the EU”, and to ensure “stability and security in the region”. The joint EU strategy for cooperation with Russia was also made a point of departure for Swedish-Russian cooperation.

With the PGU decision of 2003 mentioned above, the previous focus on promoting EU adaptation and relations with Sweden was amended in order to concentrate on “moving closer to the European cooperation structures and common value platform that is an important part of the struggle against poverty.” Two year later, operations began to return to their original direction.

The fourth Swedish country strategy 2005–2008, which was adopted after the PGU decision of 2003 and which is still in force, states that cooperation with Russia should be aimed at “promoting the continued reform process that contributes to just and sustainable development and a reduction, in the long term, of poverty in its various dimensions. A democratic and economically healthy Russia, moving closer to the European cooperation structures with stronger relations with the rest of the world, contributes to increased stability in the region.”

A deeper relationship between Sweden and Russia will, according to the country strategy, be a goal as part of the transfer to regular, neighbouring country cooperation. Using Russian needs and priorities as points of departure, activities are to be aimed at areas in which Sweden possesses recognised

competence that is in demand. The Swedish resource base is to be utilised as much as possible. The primary cooperation areas are to be the expansion of democracy, economic transition, social security, environment, mutual security plus education and research.

The country strategy also states that cooperation with Russia is to be “guided by the goal for Swedish development cooperation, namely to create the preconditions for poor people to improve their living conditions”. The choice and design of activities “must, based on a long-term reform perspective, consider the effects of cooperation on the poorer groups in Russia.”

2.3 DEVELOPMENT POLICY DISCUSSIONS

Swedish reform support to Russia has been the subject of discussion in especially three areas – its geographical emphasis, poverty orientation and whether it should exist at all.

A series of proposals have come from various directions, not least from Swedish actors, concerning involvement in regions other than the Northwest, however this concentration has remained. This has also provided space for regional direct cooperation between Swedish counties and other regional actors and cooperation partners in Russia and has concerned Norrbotten and Västerbotten as well as the major Baltic counties. This type of direct cooperation would not have been possible with Russia during the Soviet period. The motive for concentrating operations in North West Russia has primarily been the actual limitations of the support itself, i.e. that there would not be sufficient resources for satisfactory level of cover of a greater geographical area. In the light of the cooperation that is now concluding after 17 years, this concentration appears reasonable. In addition to North West Russia, Sweden has also financed a small number of reform activities in other regions and at federal level in Moscow, as well as humanitarian inputs in the Northern Caucasus.

The possible opening as concerns dissemination activities outside the North West region that was granted in the guidelines has been utilised in only a few cases. However a more efficient manner of disseminating good project results has proved to be moving them up to federal level, primarily to the ministry concerned, for integration into the federal body of regulations (known as the federal link). The government’s cooperation strategy 2005–08 confirms that “cooperation with ministries and other federal structures in Moscow is important in order to achieve the dissemination of the results achieved to date” from cooperation at the regional and local levels, and states that in order to “facilitate the dissemination

of the results that have been achieved to date within the Swedish-Russian development cooperation at regional and local levels, cooperation with the equivalent federal structures in Moscow has been established and strengthened within the prioritised area.”

Sida was tasked to carry out a more systematic inventory of the total experience at regional level in order to identify results of interest for such a linkage to federal level; however there has been no opportunity to carry out this task as the conclusion of cooperation with Russia has been brought forward. If cooperation had continued for a further period of time it is possible that requests for activities to be undertaken in other places in Russia could have been dealt with more favourably.

The poverty orientation of support to Russia was also the subject of discussion before the 2003 government decision. One criticism of the previous East Cooperation was that it provided far too much space for Swedish interests and that, as a consequence, the needs of the cooperating countries would not be fulfilled to the desired extent. Government responded to this criticism by merging the two programmes. This merger, however, generated other objections, not least the one that a poverty orientation was not a relevant motive for Russian cooperation. The argument was that the primary reason for Sweden supporting the reform process in Russia was not the existence of poverty there but was the location of the country, i.e. that Russia is a neighbouring country whose development is of major importance to Sweden and to Europe. This view has, through the changes of policy course in 2005 and 2007 which generally reinstated the pre-2003 goals, won ground within East Cooperation. Consequently it can also be said that the political emphasis has moved forward as concerns relevance.

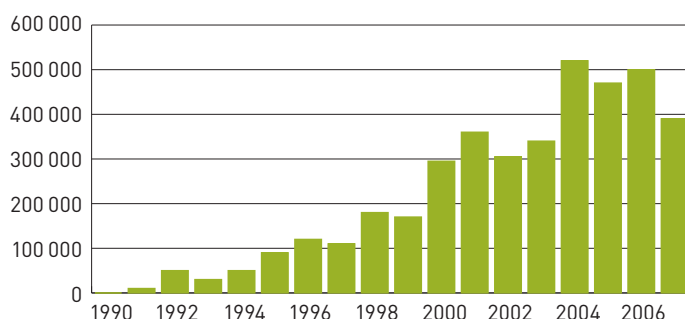
At the beginning of the 1990s there was broad, popular Swedish commitment to the emergency situation which then prevailed in many places in Russia, a commitment that has later faded in pace with the country's economic recovery. The growing criticism against Swedish Russian cooperation stated that Russia is not a poor country and that it is not a developing country. This criticism was strengthened by the 2003 decision that support must have a poverty orientation and has also grown in strength thanks to the slowing down of the Russian reform process and due to the fact that Russia has adopted an increasingly confrontational foreign policy line.

The government stated “Russia's strong economic growth” in its Spring Bill of 2007 as the reason for “phasing out Swedish support”. Decreased levels of reform activities have also reduced Russian demand for reform support from Sweden. In this report an attempt is made to summarise the relevance of, and results from, the Swedish support that was contributed to the reform process in the country.

3. Scope of reform support, geographical and regional spread

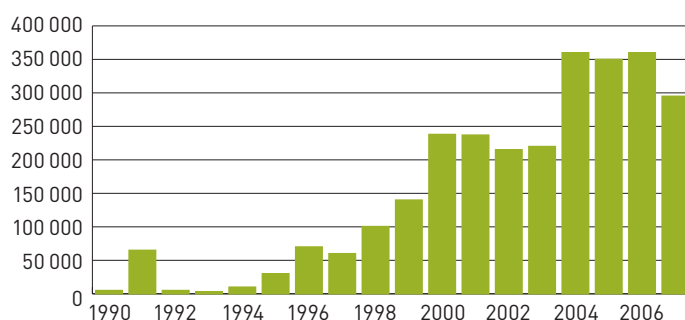
In the tables below the Swedish state financing of various activities and projects in Russia is shown during the period 1990–2007. Totally SEK 3 884 million has been disbursed with the following distribution (current SEK).

Diagram 1: Total Swedish disbursements to activities in Russia⁸



Disbursements have been made by three agencies: Sida, the Swedish Institute (SI) and the Ministry for Foreign Affairs (in its role as a government authority). The greatest share, almost SEK 2 700 million has been paid out by Sida according to the following annual distribution.

Diagram 2: Total disbursements to activities in Russia through Sida⁹

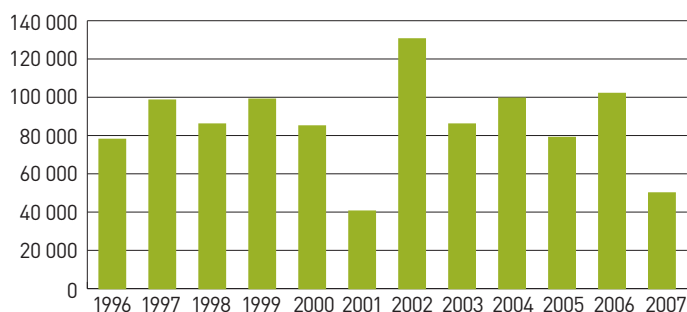


⁸ Information for 1990–2004 from Statistical Yearbook, DAC. For 2005–2007 disbursements from the Ministry for Foreign Affairs and Sida have been added

⁹ The processing of statistics from Sida's various databases for the period before and after 1997. Figures for the period 1990–1994 concern broken financial years. Information for 1995–1997 has been reworked to cover calendar years. Differences between Tables 1 and 2 concerning the years 1990–1993 are caused by accrual accounting problems.

From the Ministry for Foreign Affairs figures are reported from the period 1996–2007. Total disbursements from the Ministry for Foreign Affairs to various activities Russia are estimated at a little more than SEK 1 billion.

Diagram 3: Disbursements to activities in Russia from the Ministry for Foreign Affairs 1996–2007

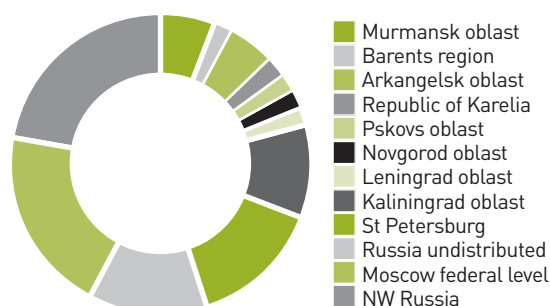


These figures include the Ministry for Foreign Affairs' disbursements to the environmental funds NEFCO and NDEP and to nuclear safety through SSI and SCI. Some years such as 2002, disbursements were made concerning operations over several years, which explains the relatively drastic changes in volume from year to year. From allocations to NEFCO and nuclear safety, disbursements have also been made to activities in other countries in the region; consequently the figures in the table are not totally applicable to Russia. The largest disbursement does concern the environmental funds and nuclear safety which were the areas for more than two thirds of all Ministry for Foreign Affairs disbursements. A smaller part has been paid to other security-promoting inputs and to various cooperation initiatives through municipalities, county councils and county administrative boards, especially within Barents cooperation. Also the direct cooperation of the Ministry of Finance with its Russian equivalent was financed for a long period of time by the Ministry for Foreign Affairs, as was support to macroeconomic research within the framework of the Economics Education and Research Consortium (EERC) in Russia and Ukraine and to Stockholm Institute of Transition Economies at the Stockholm School of Economics.

Disbursements from the Swedish Institute during the period 1999–2007 have amounted to SEK 298 million with approximately SEK 30 million paid out annually. Three quarters of payments have concerned education and research, especially via the Visby Programme and around SEK 60 million (circa 20%) was financed cultural and expert exchange.

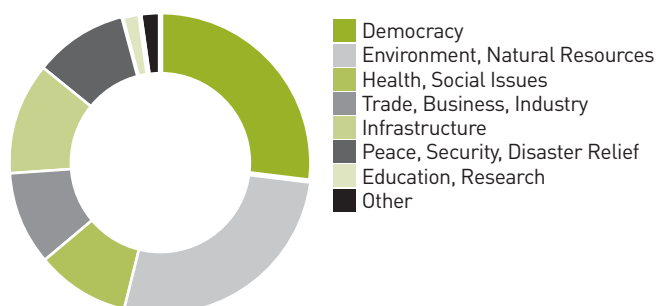
Regional distribution can be calculated as concerns disbursements via Sida for the period 1998–2007. The SEK 2.5 billion that was paid out over this period is distributed as follows:

Diagram 4: Geographical distribution of Sida disbursements 1998–2007



This diagram shows that two thirds of Sida's disbursements were made to activities located in North West Russia (NW Russia encompasses several subjects, 22 percent, St Petersburg 14, Kaliningrad oblast 10, Murmansk oblast 5, plus Arkangelsk, Novgorod, Leningrad, Pscov and Barents region plus the Republic of Karelia, all at around 2 percent each). Otherwise 20 percent of disbursements have concerned activities in Moscow or at federal level plus 13 percent in the rest of Russia or undistributed. As concerns the sector distribution of development support, this can also be calculated for Sida disbursements 1998–2007.

Diagram 5: Sector distribution of Sida disbursements 1998–2007



Democracy, Environment, Natural Resources, Health, Social Issues, Trade, Business/Industry Infrastructure, Peace, Security, Disaster Relief, Education, Research, Other

As can be seen from the diagrams above, Sida disbursements to the two cooperation areas environment and democratic governance account for more than half of the support (27 percent for each of these two sectors). Including payments from the Ministry for Foreign Affairs to the environmental funds NEFCO and NDEP of approximately SEK 450 million, the environmental profile becomes more dominant in the total disbursement picture. Support to social sectors and to the development of business/industry has been more or less equal at a little more than 10 percent each. The cooperation area Peace, Security and Disaster Relief has also received close to 10 percent, as has the infrastructure area. Sida's financing of activities within Education and Research has stayed at the 2 percent level, to which must be added the SEK 231 million that was paid out by SI during the period 1999–2007.

Sector distribution may also form the foundation of an assessment of to which degree the goals for cooperation have guided its practical design. The strong emphasis on the environment and on democratic governance, which also includes public administration inputs, is an indication that the goals concerning the extension of the democratic culture and environmentally sustainable development have been priorities in the financial control. However other goals have also been allocated considerable amounts – the promotion of mutual security and socially sustainable economic transition received the equivalent of a little more than SEK 1 billion over this period.

4. Cooperation sectors, goals, scope, implementation and results

In the following, experiences are presented as well as results of cooperation per sector in major cooperation areas. Constraints on, and definitions of, the cooperation sectors have varied somewhat during the cooperation period 1991–2008. In this report the sector division that has been in use during the majority of the period – joint security, extension of democracy, economic and social transition plus environment – are used.

In chapters 5 and 6 there are more detailed sections concerning the environmental and social sectors. These two sectors have been chosen for more detailed examination due to the importance to Sweden of the environment sector and the fact that social cooperation has a special character and relevance for the Russian transition. Further in Chapter 7 a special follow up is undertaken as concerns the gender equality goal, which must, according to government decision, characterise all reform cooperation with Russia.

4.1 PROMOTION OF JOINT SECURITY

Cooperation as concerns joint security was defined in Government Bill 1997/98:70 which was of decisive importance for the development of joint security in the Baltic Region. It was to continue to be concentrated to:

- the establishment of security policy competence, the development of defence organisations under democratic control plus the development of European cooperation and competence within peacekeeping operations,
- support to Baltic countries' ability to monitor and control their borders
- the combating of increasing international and organised crime, support to the establishment of asylum and migration policy competence plus activities aimed at improving the level of preparedness for the management of accidents and disasters.

During the first few years of security cooperation with Russia, Swedish support was concentrated to Kaliningrad, primarily in the form of coastal and border monitoring via the Swedish National Police Board. The evaluation carried out in 1998¹⁰

which covered the period 1995–1998, recommended that cooperation in Kaliningrad should be substantially strengthened and that the entire Swedish security cooperation with the Baltic Region should assign increased emphasis to Russia, i.e. primarily the Kaliningrad and St Petersburg areas. In these areas it was assessed that support and collaboration activities with Swedish authorities could exert major positive effects. It was recommended that security should become an important part of the Swedish reform support to countries in Central and Eastern Europe, not least in the Baltic area.

As time went by support was distributed over a number of more specific areas: security policy competence, democratic total defence, defence environmental activities, non-proliferation of weapons of mass destruction, emergency preparedness for accidents and disasters, border monitoring and activities aimed at strengthening the outer border control, plus asylum and migration policy competence. Goal formulation was also developed in order to more clearly define that operations were to be based on an expanded security concept and promote mutual security in Sweden's close proximity, in the civil as well as the military fields. In connection with this expansion of support, the primary responsibility for operations was moved from the Ministry for Foreign Affairs to Sida.

The areas that have been specially evaluated consist of nuclear safety and migration and asylum cooperation. Nuclear safety, especially the control of nuclear material (nuclear waste is dealt with under environmental issues below) was first evaluated in 1998¹¹. The primary conclusions of this evaluation were that the cooperation had applied a suitable emphasis and had been well implemented by the government agencies the Swedish Radiation Safety Authority (SSI) and the Swedish Nuclear Power Inspectorate (SCI). It was assessed that the risk of a major accident at a Russian nuclear reactor, such as Sosnovij Bor outside St Petersburg, had been reduced thanks to this support. Awareness from the Russian side as concerns the importance of nuclear safety and the will to enhance it had increased as a result of these inputs. The evaluation recommended continued cooperation with the Russian nuclear inspectorate (GAN), especially on the regional level.

The entire Swedish support to non-proliferation 1991–2004 was evaluated in 2004.¹²

The programme which was entitled the Swedish Nuclear Non-Proliferation Assistance Programme (SNNAP) was aimed at support to legislation, protection against accidents, control systems against illegal proliferation and participation

11 "Förbättrad kärnsäkerhet och strålskydd i Central – Östeuropa" Per Johan Svenningsson, 1998

12 Swedish Nuclear Non-Proliferation Assistance Programme in Russia and Latvia, Thomas Jonter, 2004

in international arenas and agreements concerning non-proliferation. The primary area for support, which amounted to SEK 33 million 1991–2003, was institutional cooperation with GAN and the strengthening of its role as regulator and inspection authority, plus cooperation with organisations in the Murmansk area with the aim of improving nuclear protection for icebreakers and other vessels. The evaluation found that the Swedish support had been extremely relevant and that goals had been achieved, if not always to the most desirable level. Criticism was primarily aimed at the ad hoc character of the support – a more developed programme approach was recommended – plus at deficiencies in management and modern control functions from the Russian side. It was also noted that the capacity of the Swedish side, especially as concerns the ability to produce analyses and strategies, could have been stronger. Coordination with other donors, primarily Norway and Great Britain, had worked in a satisfactory manner. In summary GAN's capacity and safety approach was assessed to have been strengthened considerably and SNNAP's approach to be in accordance with IAEA recommendations.

A consultant study of future support¹³ to the nuclear technology area made recommendations as concerns the emphases of continued Swedish support in the following order: reactor safety, waste management, emergency preparedness and radiation protection. These recommendations were submitted against the background of the analytical conclusion that priorities for Sweden are security for Sweden, economic effects, foreign policy effects and humanitarian assistance to Russia.

Cooperation in the migration and asylum areas has been underway since 1996. Up until 1999, the Ministry for Foreign Affairs was responsible with the Swedish Migration Board as implementing agency. After this date, Sida took over the role as lead agency. Operations have been run within the framework of a programme for further support to Central and Eastern Europe within the sector. During this period, Russia became a major recipient of immigrants, primarily ethnic Russians from the CIS countries. According to UNHCR approximately eight million immigrants have moved, primarily into the Moscow area, since the dissolution of the Soviet Union in 2001.

The programme was evaluated in 2003¹⁴. Swedish support via the Swedish Migration Board was described as demand-driven on the basis of proposals from UNHCR and the federal migration authority, as well as dialogue-oriented as concerns policy development and legislation issues. On the tech-

13 Utredning av Sveriges fortsatta stöd till Ryssland inom det kärntekniska området, Arthur D. Little, 2004

14 Swedish Bilateral Assistance in the Field of Migration and Asylum in Central and Eastern Europe 1996–2002, Kjell Åke Nordquist, Martin Schmidt, 2003

nical level results have been clearly visible; especially as concerns systems development for e.g. ID controls, voluntary repatriation and asylum management. While results were less visible when systems required investments in technical equipment such as databases for fingerprints and IT networks. The Russian government agencies had specially appreciated the advisory services they received in connection with the development of legislation.

The return and integration of victims of trafficking in human beings has been supported by Kvinnoforum through capacity development at a centre in Moscow and at five regional women's shelters, see Section 4.2.5 below.

The Swedish Rescue Services Agency has cooperated with the Federal Ministry for Civil Defence since 1997 within the field of accident and disaster emergency preparedness, with the aim of, among other matters, establishing depots for oil spill protection around the Baltic Sea. Special activities have been undertaken as concerns Kaliningrad. As follow up, between 2003 and 2005, a series of seminars was held for local rescue services with the Swedish Rescue Services Agency's Russian counterpart, based on the APAL Process (Awareness and Preparedness against Emergencies on Local Level). These seminars were held in Leningrad and Kaliningrad counties and in the Republic of Komi.

During the period 1999–2005, the Swedish Maritime Administration and the Swedish Coast Guard were involved in training and exchange of experience with maritime and harbour authorities in Kaliningrad aimed at improving maritime security and strengthening neighbouring country cooperation between such authorities around the Baltic Sea. Part of the Swedish Maritime Administration training dealt with oil spills and strengthened the capacity in Kaliningrad and St Petersburg to deal with these.

Activities were also undertaken within road safety between 1998–2006 with the aim of establishing a sustainable system for increased levels of road safety and environmental analysis. The Swedish cooperating partner in this project was first the Swedish National Road and Transport Research Institute (VTI) and later Linköping University.

In summary, Swedish support has been aimed at areas concerned with increased safety and security within the Russian Federation generally as concerns nuclear activities, migration, border controls etc. as well as at the areas surrounding the Baltic Sea. These activities have also indirectly improved Swedish safety and security levels. In addition to the inputs mentioned above, the Russian Defence Force has also received support from the Swedish Armed Forces as concerns training in peacekeeping missions, cleaning up an army base near the Estonian border and environmentally adapting the decom-

missioning of ammunition. Results of this cooperation may primarily be interpreted as decreased threat levels due to lack of protection, governance and control of nuclear plant and in the form of established networks of protection points around the Baltic Sea, which form the basis of normal neighbouring country cooperation.

4.2 DEMOCRACY

In the Guidelines for East Cooperation in the 1997 Special Bill it was established that Swedish support to democratic development in Central and Eastern Europe would be aimed at three main areas: 1) Civil society, including extended twinning and cultural and academic cooperation, 2) Legal cooperation and 3) Support to language and integration (with special emphasis on the Russian-speaking minorities of Estonia and Lithuania). In addition, support has also been provided for the media sector, gender equality, political parties and training of politicians.

As can be observed from Figure 2 above, democracy activities have also been financed with considerable amounts via Sida during the period 1998–2007 – more than SEK 700 million.

4.2.1 Support to civil society

Through its department for cooperation via NGOs (SEKA) Sida has contributed to Swedish NGOs' activities in Russia. These grants, which are intended to support the development of the civil society in Russia had, according to financial statements for cooperation with Russia 1999–2001, during a three-year period consisted of a little more than SEK 50 million to ten umbrella organisations – the largest recipients being LO-TCO Secretariat of International Trade Union Development Cooperation (SEK 13.4 million), Forum South (SEK 11.3 million) and the Olof Palme Memorial Fund (SEK 9.4 million). Operational areas for this financing were primarily human rights and democracy (54 percent), natural resources management (25 percent), business/industrial development and financial systems (17 percent) and health care (8 percent).

During the 2004–2008 period, undertakings totalling SEK 86 million were made for 252 projects, primarily within the environment (90 projects), democracy (77 projects) and HR (44 projects). Nine umbrella organisations have been involved in cooperation with more than 100 Russian NGOs. The Swedish Society for Nature Conservation and Forum South have been involved in around 80 projects each, the Olof Palme Centre and the LO-TCO Secretariat in 30 respectively 20.

4.2.2 Legal cooperation

Initial support via the Swedish National Police Board (RPS) to border control and combating organised and cross-border crime in Kaliningrad was gradually developed into forms for legal cooperation undertaken with the Baltic countries. From 1999, Sida took over responsibility for the coordination and follow up of this sector. From 2001, activities were also underway as concerns the fight against drugs and in order to reduce youth criminality in Archangel. Operations in Kaliningrad were terminated in 2000 as the RPS was experiencing such high workloads that it could not continue. In 2004 the issue of cooperation was once again taken up this time concentrating on drug controls. However this initiative fell by the wayside after a number of delegation visits including to Lithuania, to examine opportunities for tripartite cooperation, due to lack of interest on the part of the federal Russian Ministry of the Interior. A similar invitation to cooperate with the police in Pscov was broken off for the same reason according to information from RPS.

Cooperation between the Swedish and Russian Ministries of Justice was initiated in 1990, but never reached the same level as the equivalent cooperation with the Baltic countries in the 1990s. This cooperation had been built up around the four components of the justice chain – police, prosecutor, courts and prison functions. In the Country Strategy for Russia 2002–2004, intensified cooperation was predicted. A cooperation agreement with the overall goal of developing the rule of law through institutional development, support to civil society and strengthening of human rights was signed in 2002 and concluded in 2005 when cooperation was changed to regular neighbouring country cooperation. Activities were aimed at property law issues, transfer of sentences between countries, legislative operations, further training of lawyers and exchange of legal information and legislative texts. According to the Final Report produced by the Ministry of Justice in 2006, the results of this cooperation did measure up to expectations.

As a part of the cooperation agreement between the two ministries of justice, a further two activities have been implemented in the legal field. The Prisons Service initiated cooperation with its Russian equivalent in 2005 with the aim of disseminating Swedish experience of prison care and alternative punishments to imprisonment. After certain problems – primarily from the Swedish side as concerned project management – and when the government decided to conclude Russian cooperation in 2007, KRIM broke off project cooperation the same year. KRIM had also taken a decision to close down its international operations financed by Sida.

The National Courts Administration has been cooperating since 2004 with courts in Novgorod and Pskov as concerns efficient working organisation, strengthened confidence in the courts system, improved administration of youth criminality and methods for further training of judges. The National Courts Administration reported that the Russian courts system has shown considerable interest in reform of both administration and of its relationship with the general public and that various reforms had been implemented at regional level including as concerns administrative routines and media contacts.

“The strongest activity has been the exchange of experience with specialists who have practical experience. Secondly we have changed our attitude towards problem children; we now examine their problems much more carefully. Thirdly we have managed to create extremely close cooperation with the government agencies in our area, this has been unexpectedly good. The only problem has been the high level of staff turnover and that some of my colleagues have not wanted to participate.” (Representative of the Prison Services)

4.2.3 Cultural and academic cooperation

The goal of the Swedish Institute's (SI) cultural and academic cooperation with Russia within Cooperation with Central and Eastern Europe has been to promote and develop a democratic culture. From 2005 further concentration was undertaken on issues concerning democracy and human rights, gender equality plus the rights of children and young people. In 1997 the Visby Programme was established with the primary aim of strengthening cooperation and links between the countries of the Baltic Sea area. In 2002 when this programme was first financed from development funding its aim was stated as “strengthening cooperation and links between the countries of the Baltic Sea area and increasing understanding of each others' cultures”. Since 2007, when this programme once again received new financing, this time with promotional funding, its aim is “taking Sweden's interests as a point of departure and with continued benefit to the cooperating countries, contribute to the creation of mutually developmental education and research cooperation between Sweden and Estonia, Latvia, Lithuania, Poland, Russia, Ukraine and Belarus”.

SI's cooperation with Russia has encompassed cultural and expert exchanges plus various forms of cooperation in the educational area. Emphasis has been placed on the educational side since the inception of the Visby Programme and Baltic Sea Scholarships in 1997. This has primarily concerned support to institutional cooperation although individual scholarship exchanges have also been extensive.

With the exception of the Visby Programme and Baltic Sea Scholarships, operations aimed at Russia up until 2007 were financed from allocations to Cooperation with Central and Eastern Europe. 1997–2002 the Visby Programme was first financed from the Baltic Sea Billion while the Baltic Sea Scholarships have primarily been financed by the then Ministry of Labour. In 2000, the Baltic Sea Scholarships were absorbed into the Visby Programme. From 2007 the Visby Programme was supported from the allocations for foreign and domestic security policy (promotional funding). Support to the teaching of the Swedish language at universities in Eastern Europe was financed up until 2006 by the allocation for Cooperation with Central and Eastern Europe.

Since the turn of the century, SI has implemented a number of larger-scale campaigns aimed at promoting cultural cooperation with Russia. In connection with the 300th anniversary of the founding of St Petersburg in 2003, a Sweden Week was arranged consisting of around 30 cultural and social events including seminars with Swedish expert participation, music and theatre performances, Sweden information and films including the premier of the film *Lilja 4-ever* with its focus on trafficking. In 2004, SI in close dialogue with Russian cooperation partners, brought up the issue of human trafficking. Trafficking seminars gathered Swedish and Russian experts in St Petersburg, Petrozavodsk and Moscow. SI's children's culture project entitled *Astrid Lindgren and Children's Rights* was opened in the autumn of 2004 in Moscow. In connection to the LEK (PLAY) exhibition, an extensive programme of films and seminars dealing with children's rights, the Children's Ombudsman and Children's Rights in Society (BRIS). The project "Sweden and Kaliningrad" was implemented in 2005 in connection with the 750th anniversary of the founding of Kaliningrad/Königsberg. This project had a considerable impact on the media and more than 100 000 visitors came to see it.

SI has enjoyed considerable confidence from the Swedish Government as concerns cultural cooperation with Russia, confidence which has been a considerable asset to its cooperation activities.

In 2006, SI in cooperation with the Swedish Trade Council, was tasked by Government to arrange "Sweden: Upgrade" as a method of marketing Sweden in nine major Russian cities, seven of which had previously only limited knowledge of Sweden. The aim of this project was to strengthen the perception of modern Sweden in Russia within business/industry, culture, research, education and tourism. Themes such as gender equality and media gathered together more than one hundred Russian and Swedish experts and journalists at the Union of Journalists in Moscow and the university in Tver.

The major component within the education and research field of cooperation is the Visby Programme. This programme encompasses institutional cooperation and individual scholarships and is aimed at students, researchers, teachers and administrative staff at all educational levels post compulsory schooling. It is open for studies and research within, in principle, all subject areas. In 2005, the Visby Programme Summer University was established. Since 2006, the Visby Programme is able to finance cooperation projects all over Russia, even if activity areas are still dominated by Moscow and St Petersburg.

A review of the Visby Programme was carried out when its financing was switched from East Cooperation¹⁵, primarily based on interviews with representatives of the Swedish universities and university colleges active in the programme. The assessment given by all the Swedish academic participants in the Visby Programme was that its importance could not be overestimated. They emphasised the considerable, mutual value of this cooperation. At the same time it appeared to be difficult to separate development effects from other cooperation effects. Cooperation partners from areas close by could take resources and knowledge back with them, but they also made valuable contributions to study and research results during their period in Sweden. The majority did not regard cooperation as the development of the foreign partner, rather as the collaboration around common interests. The conclusion was that operations fulfilled both the goal of contributing to development in the close environs of Sweden and the goal of promoting Swedish interests. Swedish interests are defined in the majority of cases as the Swedish actors' own interests and the broader-based Swedish interests.

In addition to the Visby Programme, SI has also financed other exchange programmes with Russia, e.g. bilateral scholarships for academic year studies, minor field studies scholarships (for 60 and 80 credit theses at Swedish universities), Eastern Europe scholarships for studies at Swedish universities and support to the Swedish Centre at the Russian University of the Humanities in Moscow. Special commissions over the last few years have included the establishment of a new Swedish-Russian/Russian-Swedish dictionary and the cooperation programme Nordplus Nabo, initiated and financed by the Nordic Council of Ministers. The most successful component within the Visby Programme has been the cooperation projects. Swedish partners have reported to SI that they have also learned much from this cooperation. This component is also the most interesting from a long-term promotion perspective. At the same time, interest in academic circles in coopera-

15 Visby-programmet – ny uppdragsformulering, Krister Eduards, 2005

tion with Russia has cooled a little over the last few years. More efforts have been made to disseminate knowledge about and broaden the interest in the Visby Programme on the Russian side, efforts that include information meetings and contact seminars.

One problematic element in the cooperation with Russia has been visa processing, another is that the Swedish parties have received no compensation for their own work within Visby Programme cooperation projects. The latter did not cause any initial problems when the universities enjoyed high capacity levels, however later when their allocations began to shrink it became a serious hinder. In 2004 and 2005 the budget of the Visby Programme amounted to SEK 45 million annually. For 2007, when a new management programme was launched, allocations were increased to SEK 70 million. Courses in the Swedish language are underway at 22 universities in Russia. In 2007, more than 1 000 Russians participated in Swedish classes.

An *evaluation* in 2000¹⁶ indicated that the SI Eastern Europe operations were based on two commissions – firstly the SI primary task of promoting Sweden’s international contacts and secondly its commission within East Cooperation to promote the culture of democracy in Central and Eastern Europe. The evaluation assessed that SI had succeeded in combining these two goals and that: “The absolute majority of operations promote, in some aspect, both Swedish interests and democratic development, even if the effects in the cooperating country in a large number of cases must be assessed as modest. Generally speaking the promotion of Sweden goal dominates over the democracy goal.”

Concerning cooperation with Russia, the evaluation noted that there were many constraints on the smooth exchange of cultural and expert inputs – slow visa and customs processing made exchanges within film, theatre, exhibitions etc. extremely complicated and expensive. Educational exchanges, especially as concerns the natural science disciplines, were found to be more extensive and active. It was noted that the scholarships granted to Russian citizens primarily concerned the natural sciences and technology while Swedish scholarship recipients primarily studied the humanities, especially the Russian language.

4.2.4 Local democracy

Support to local democracy and decentralisation was initiated in the early 1990s in the form of capacity development within local administrations and local governance. Activities included a project run by Stockholm City, with financing from

16 Utvärdering av Svenska Institutets Östeuropaverksamhet, Krister Eduards, Mats Sylwan, 2000

BITS/Sida-East, within local administration in St Petersburg concerning financial control and municipal information activities 1993–1997. Stockholm City also cooperated with St Petersburg with the aim of increasing revenues from tourism, 2002–2006.

At the beginning of the 1990s, extended twinning cooperation projects were initiated between municipalities in Sweden and in Russia which were later developed into a programme of municipal partnership, coordinated by SALA IDA, the Swedish Association of Local Authorities and Regions' (SKL) service export company. A few years later a programme aimed at the creation and/or strengthening of SKL's sister organisations primarily in Kaliningrad, Karelia and Novgorod. In 2000, cooperation was initiated with the newly-formed Congress of Municipalities of the Russian Federation (CMRF).

The name municipal partnership marked that cooperation had developed further from extended twin town agreements to partnership. In this new form it was then possible to conclude cooperation agreements that were aimed at long-term results rather than long-term relationships as such. This also broadened the base of the interest from Swedish municipalities, regions and county councils in making such commitments. In this context SKL also received resources from Sida which made it possible for SALA-IDA to work more proactively with the programme in the form of information, support to municipalities and contacts in cooperating countries. In this new programme, Sida was also afforded the opportunity to contribute to operations for more than one year at a time, something that had previously not been possible and which had placed considerable constraint on how long-term cooperation between municipalities could actually be. From 2005, the programme has also more clearly been focussed on poverty-oriented projects.

One further developed cooperation form in the municipal field in Russia is tripartite cooperation, through which a previous cooperation project with a Baltic or Polish municipality has been extended to include a Russian municipality. Consequently it has been possible to disseminate experience from previous cooperation in order to promote and partially simplify cooperation with a Russian municipality or region. In 2006, this type of tripartite cooperation was entered into between four municipalities, one county council and one municipal association in Sweden with counterparts in Estonia, Latvia, Lithuania, Poland and Russia. In that cooperation with Russia is now being phased out, opportunities to finance partnerships in Russia will also decrease.

Cooperation between SALA-IDA and its sister organisations in Russia was evaluated in 2001¹⁷. In spite of uncertainty as concerns the emphases and strength of Russian policies for decentralisation, the evaluation found that the Swedish support was “on the right track” and that Swedish consultants tended more than others to contribute down-to-earth, purpose-designed proposals for solutions to the problems that the development of local autonomy had encountered. At the same time it was emphasised that many projects were very dependent on individuals and that a change of town mayor could lead to a complete change in the character of the cooperation or to it being completely closed down. For this reason, and due to the long-term view necessary for the development of local governance, longer time horizons and greater continuity of cooperation were required as well as stronger, more clearly-defined systems for follow-up, dissemination of information and documentation of lessons learned. Further a considerably greater degree of donor coordination was demanded especially in donor-dense regions such as Kaliningrad and Novgorod.

From 2004, support was also provided for the establishment of an association of municipalities in North West Russia. In the SALA-IDA Final Report from 2007 it was emphasised that support to municipal associations in Kaliningrad and Karelia had generated the most tangible results of the cooperation. Both are now well-established as spokesorganisations in dealings with regional state authorities. Support to the municipal associations in North West Russia otherwise was assessed as less successful as efforts had been spread out over many counties and consequently they appeared unable to function as a lobbyist for the regional state authorities. SALA-IDA made the final assessment that the results of the cooperation in the long-term were limited, primarily due to the fact that the unstable party politics in Russia led to lack of continuity of political leadership and to a weak level of internal training of elected officials.

In addition, projects for local democracy and rural development in North West Russia have been implemented in Archangel County (by NIRÅS AB and Pomor State University), in Murmansk County (By the Norrbotten Municipal Association and Murmansk Technical University), and in the Republic of Karelia (by the Hushållningssällskapet i Västerbotten and local administrations in the Prjazja, Olonets, Suojarvi, Pitkjaranta and Medvezjegorsk municipalities). This cooperation, which was implemented in areas where many farms and other companies had been closed down, high unemployment, widespread alcoholism and general lack of confidence in public administra-

17 Strengthening Local Democracy in North West Russia, Ilari Karppi, Kaisa Lähteenmäki-Smith, 2001

tion and politics¹⁸, have been reported to have led to the revitalisation of both local democracy and economic activities.

In an evaluation of two projects¹⁹ in Prjazja and in Arhangel, the conclusion was drawn that in an environment in which external projects had previously not been experienced as positive for citizens, it is vital to identify needs in informal consultations with the population and that practical changes are made in order to create confidence. As changes become visible and benefit the local level, more formal plans can be designed in cooperation with the local public administration. In this context, twinning of towns, project management and the commitment of the Swedish partners played a vital role.

Other activities aimed at local autonomy and local administration at regional level have included SIPU/SALA-IDA's cooperation with the Novgorod section of the North West Academy of Public Administration (NWAPA) in connection to the celebration of the 1140th anniversary of the founding of Novgorod City. This cooperation consisted of a series of seminars and projects in the public administration. According to this report, results of this cooperation are to be disseminated into other regions within federal Russia. In Kaliningrad, the EastWest Institute has been working with training in programme budgeting at municipal level with the aim of creating capacity at the municipality to fulfil requirements for programme budgeting according to the Local Autonomy Act. According to this report, all 36 municipalities had not introduced the budgeting and performance management systems but the methodology was assessed as being well entrenched in six municipalities and the capacity to continue working using their own resources was assessed as sufficient.

In summary, activities within local democracy have strengthened the capacity of the municipal associations in North West Russia to be able to deal with issues of local democracy, municipal service and citizen influence in dialogue with regional state powers. On the local plane, municipal partnerships and tripartite cooperation had both laid the groundwork for continued cooperation between municipalities and contributed to a strengthening of social services and other municipal service.

4.2.5 Democracy and human rights

A series of Swedish activities, primarily from Sida, have been aimed at the democracy and HR area, partly to Russian NGOs with or without foreign connections, partly to other actors in Russian society. Certain inputs have been especially reserved for support to human rights in the Northern Caucasus.

¹⁸ Please compare *Vild kapitalism och gammal byråkrati*, Ann-Mari Sätre-Åhlander, 2007

¹⁹ *Rural development and democratisation in Russia and Estonia*, Paul Dixelius, Camilla Gramner, Dan Hjalmarsson, 2001

Citizen's Watch in St Petersburg has implemented several projects, the latest concentrating on experimental activities with parole of young lawbreakers in combination with measures for social rehabilitation in three districts in the city. Citizen's Watch reports that these new treatment methods have been well received by the authorities and it has been possible to influence their work. Swedish support has also been provided for the HR organisations Memorial and the Russian Helsinki Committee.

"We are extremely satisfied with cooperation with Sida; it is our Swedish partner who does not understand the situation in Russia, the difficulties that arise. There is unnecessary bureaucracy. However our Sida programme has exerted strategic effects e.g. as concerns the peace courts. We organised a conference, then judges came and asked for our help with international norms on migration and refugees. Attempts to get the state to organise training inputs failed, that is why they came to us. In contrast to the police, the judges have confidence in us. This is due to Sida. We would really like to undertake more Sida projects." (Representative of Citizen's Watch)

Since 2004, Sida has become involved in support for human rights in North Caucasus as well. Currently two activities are underway. Through the Swedish Helsinki Committee and the Dutch foundation Stichting Russian Justice Initiative (SRJI) the Chechnya Justice Project is supported. This project provides legal help to victims of human rights violations and their families. Violations concern primarily cases of arbitrary arrest, torture, kidnapping and arbitrary executions. This project provides free legal help to victims of violations and their families within the Russian legal system and at the European HR Court in Strasbourg. Cases that cannot be solved within the Russian legal system are referred to the European Court of Justice. At the end of the project period, SRJI had submitted 159 applications as concerns the North Caucasus to the European Court which had made 30 rulings on them. Thanks to these rulings, individual have received compensation from the Russian state.

Through UNDP there are also activities underway aimed at reintegration, employment opportunity creation and the local management of internal refugees in Ingushia and Northern Ossetia. This programme will run until 2009.

Since 2005, the Swedish and Swiss ministries for foreign affairs have co-financed the Russian organisation FEWER's project entitled Humanitarian Dialogue for the Protection of Civilians in Chechnya. (Swedish funding comes from other allocations, not East Cooperation.) The aim is to contribute to the improvement of security and to support rehabilitation and reconstruction efforts in the region, primarily by trying to decrease abductions and arrest of civilians, and to participate

in and facilitate research into the whereabouts of people who have disappeared. Results include a mechanism for research using positions created by NGOs, the establishment of a databank of disappeared people which has been coordinated with other databanks and working methods have been further developed with the help of DNA technology and a gender perspective.

Via the Swedish Peace and Arbitration Society, the Mothers of Chechnya have also been supported. This group has been working since 1995 with disappearances within the framework of the two wars in Chechnya. The organisation supports individuals who are looking for relatives who have disappeared and attempts to attract international attention to the problem. Operative activities have resulted in a database of people who have disappeared, photo archives, a collection of witness statements, police reports in 60 cases and 179 applications to the prosecutor's office. Books and brochures have been produced about the disappearances. A documentary entitled "Shadows of the disappeared" is under preparation.

Together with four other donors, Sida financed the Strategy North Caucasus (SNC) and its work with monitoring the presidential and parliamentary elections in Chechnya in 2003–2004. SNC documented the process, implemented independent opinion polls and was successful in achieving all its project goals. Successful project implementation in an extremely high-risk environment in itself provides one important result. The special programme for support to party organisations, i.e. support via the Swedish political parties' organisations for international cooperation, has also affected Russia. This support has been evaluated several times, latest in 2005²⁰. None of these evaluations have, however, focussed specifically on Russia. Conclusions concern the programme's goals, areas of application and administration, not the results of the cooperation.

Extensive support has been provided by Sida over a number of years to the Moscow School of Political Studies (MSPS), via SIPU International and via the Swedish Institute of International Affairs. MSPS, which is a unique institution in the Russian political landscape, has carried out and continues to carry out training and further education within the various aspects of democracy, such as democratic structures, legal security, good governance and human rights aimed at younger politicians, officials and academics. A seminar series featuring Swedish experts has been implemented aimed at 50 Russian parliamentarians and officials. More than 600 students have been trained in political science and media. Political journals have been published in Russian and English.

20 Political Parties and Democracy Assistance, Magnus Öhman, Shirin Ahlbäck Öberg, Barry Holmström, Helena Wockelberg, Viktoria Åberg, 2005

MSPS students have implemented a democracy audit of Russian regions.

Various activities have been aimed at combating trafficking, especially of women. The international migration organisation IOM has been allocated SEK 5 million to, over a period of three years, improve the capacity of the Russian Ministry of the Interior and the Prosecutor's Office as concerns combating human trafficking. Inputs are intended to result in more efficient criminalisation and legislative applications, improved specialist competence in the combating of trafficking, a better developed victim-based approach plus increased awareness, primarily within legal authorities, as concerns this problem. Results from the first year include the improvement of the IT capacity at the Ministry's Trafficking Unit and the design of a special course at the Russian Academy of Justice.

In addition, Sida has channelled funds through the Swedish Kvinnoforum (SEK 4.6 million) to the Russian women's organisation Angels' work with Russian authorities and NGOs concerning capacity development at a centre in Moscow and at five regional women's houses in Archangel, Karelia, Leningrad County, Murmansk and St Petersburg in order to improve anti-trafficking cooperation between them and to support trafficking victims. Angel assesses that the seminars and conferences they have carried out have led to increased knowledge on this issue and to a stronger, anti-trafficking profile at the different legal authorities as well as strengthening cooperation between NGOs and government agencies in the field²¹. In addition, cooperation has been underway aimed at the development of regional authority cooperation to combat trafficking from a gender perspective in St Petersburg, Leningrad County and the Republic of Karelia. Since 2006, jointly with IOM, Angel has been running an information campaign against trafficking in Kalinin-grad.

Norrbotten County Council has contributed advisory and training inputs aimed at the creation of two women's shelters on the Kola Peninsula at a cost of SEK 0.9 million.

"For example, in relationship to homosexuality, we had only learned that it was an illness and then we got to see these people moving around openly in Sweden and I realised that they were totally normal and that there was no links to violence there, as we had thought there was." (Director of a youth reception centre)

4.2.6 Gender equality

Swedish support via East Cooperation to improved gender equality in Russia has primarily been operated by Sida according to three, main operative lines:

- One emphasis within the cooperation as a whole to ensure that it contributes to equality between women and men
- An assessment of all planned activities from a gender perspective
- The implementation of special inputs aimed at increasing women's representation in political arenas and to facilitate the position of women on the labour market.

According to Swedish government decision, a gender equality perspective must “characterise all East Cooperation”. Based on this, the gender aspect of cooperation has been reported separately in Chapter 7.

4.2.7 Media

Within the framework of East Development, the Institute for Further Education of Journalists at Kalmar University (Fojo) has, since the mid-1990s, undertaken further training of journalists in Russia and other countries. In an evaluation from 1998 ²²it was observed that the programme, generally speaking, had been in accordance with the goal of extending democracy. No special assessment was made of activities in Russia, the conclusions and recommendations applied to the overall programme. The study found that the training had been put into practice which could be observed by noting changes to layout and editorial content, but also made the overall assessment that it is generally difficult to measure the effect of training in the media sector in these countries. As concerns Russia, it was recommended that training should be expanded to a wider circle of regional journalists.

Fojo also later implemented seminars and training in Russia, primarily in St Petersburg, Kaliningrad and the Barents Region, within areas such as modern journalism, investigative journalism and news administration. In the mid-2000s a seminar series was implemented on various themes in cooperation with the Russian Union of Journalists and their local sections with participants from places such as the Urals and Siberia. Fojo, in its final report from 2007, stated that there was a need for the presence of independent trainers in the Russian regions, especially in the light of the deterioration of opportunities to express criticism and operate independent journalistic activities. Fojo assessed that there was reason to doubt that the Russian state within “the near future” would finance and operate education and training on how to critically examine

22 The Training of Journalists in Central and Eastern Europe, Tiina Meri, Börje Wallberg, 1998

political decision-makers and how to undertake investigative or serious journalism. As an example it was stated that the Russian Union of Journalists had been forced out of their premises in Moscow in May 2007.

During this period, Fojo was also involved in running seminars aimed at improving cooperation between journalists in Russia, Belarus and Ukraine. In addition, SVT in Luleå was involved in two projects in cooperation with local TV channels in the Barents Region.

Independent media companies have received Sida support. Between 2001 and 2007 Sida provided financing for the Media Viability Fund, administered by the Eurasia Foundation. The aim of this fund is to create the preconditions for independent, impartial and analytical journalism. Companies have been able to apply for investment loans and qualified advisory services on financial and technical issues. A total of SEK 9.5 million was disbursed 2000–2001 as support to ten or so media companies and to local TV companies for the acquisition of studio and production equipment. Sida has also financed Russian contributions to the Media Development Loan Fund. Four companies have received loans which have enabled them to invest and improve their opportunities for survival. Around 80 media managers have participated in purpose-designed training inputs.

In summary, media support has primarily strengthened the professional capacity of a large number of mainly print journalists through further training implemented by Fojo. The hardening media climate and strengthened state ownership of media in Russia has, however, placed clear constraints on what support to journalist training or to the media fund has been able to contribute in terms of an independent professional media corps.

4.3 SOCIAL AND ECONOMIC COOPERATION

This heading includes cooperation within the health and social sectors, support to public administration and business/ industrial development. Total disbursements exceed SEK 600 million.

4.3.1 Support to social sectors

The Swedish-Russian reform cooperation within the social sectors has been selected by Sida to be examined more closely in this report, see Chapter 6.

4.3.2 Public administration

The most extensive cooperation – and perhaps the most important from a reform aspect – has been activities within surveying and the institutional developments within this field. Totally more than SEK 50 million has been disbursed for a series of activities within physical surveying, of which SEK 30 million were paid out 2003–2007.

In its economic transition from a central plan economy to a liberal market economy, respect for, and protection of, private property ownership plays a decisive role. In the reform process this change primarily concerned a totally new approach to, and application of, the concepts of ownership, formation and registration of property and the integration and interplay between the government agencies that are part of an open, accessible and efficient system of physical surveying, including its links to property taxation and financing.

As early as the beginning of the 1990s, the Swedish Mapping, Cadastral and Land Registration Authority, through its subsidiary Swedesurvey, became involved in these operations. The first cooperation phase 1993–2002 was mainly aimed at using training of officials to create the knowledge necessary concerning these changes to establish a modern system of surveying. In addition to study visits to relevant institutions in Sweden there were specialist seminars at local district level, support for educational courses in surveying (Novgorod) and special training within surveying, mapping and computer programming etc. This phase of cooperation was evaluated in 1998²³. The evaluation found that the emphasis of the cooperation had worked well and that there was a broad knowledge base in place as concerns surveying and property registration in the regions concerned. The project had made an important contribution to the introduction of modern systems for surveying in North West Russia and created an expert group of officials at both management and technical levels.

In 2002, a new phase of this cooperation was initiated based on the legal developments that had occurred between 1998 and 2001 with the adoption by the State Duma of a series of laws that had laid the foundation for ownership rights and property registration. Considering the fact that this sector, in spite of the new legal framework, was characterised by a multitude of controls without strategic direction, duplication of responsibilities plus lack of transparency and consequently widespread corruption, Swedesurvey proposed that a broad review should be carried out of the entire sector under the leadership of the UN. This proposal was accepted at the highest level. A committee of eight international experts was appointed. The Committee's report was presented at a confer-

23 Swedesurvey Projects in Russia and Ukraine, Ivan Ford, Susan Nichols, Mark Doucette, Jaap Zevenbergen, 1998

ence at the same time as the reform of the public administration was launched. Its recommendations exerted a considerable impact on public administration reform and laid a strong institutional foundation for continued cooperation.

Continued cooperation during the 2003–2006 period focused on continued policy and strategy development in the sector, on the strengthening of its institutional structure and on the integration of the actors in the sector with the aim of strengthening the continued development and efficiency of the property market.

In Swedesurvey's final report from 2007 it was observed that the credit market linked to the property market was still small in relationship to the situation in the West, but that it was growing partially due to the cooperation's emphasis on creating efficient systems for information to the bank sector as concerns properties and mortgages. At municipal level, the understanding of the necessity and benefits of a cohesive system in this sector has led to cooperation agreements between the agencies concerned. At federal level the Ministry of Economic Development bears responsibility for the overall, coordinated, broader-based land policy as a resource for citizens, business and other users. Cooperation with other financiers and donors, not least with the World Bank and Tacis, has also led to the necessary common approach as concerns priorities for the continued development of the sector.

As a complement to the extensive cooperation between Swedesurvey and Russian counterparts, the Royal Institute of Technology in Stockholm has run a series of master's programmes in land management. This programme has utilised a total of SEK 26.8 million and will continue until 2009, when a total of eleven phases will have been completed. The goal of the programme is to ensure sustainable social and economic development through rational land management, rights of ownership and efficient property taxation. Of the totally 400 students on this programme, approximately 100 were from Russia.

Finance and taxation has been another central sector in cooperation. Within taxation administration, activities have been at regional level and primarily concerned capacity development in issues connected to modern taxation management and tax collection systems. Activities were primarily implemented 1996–1999 in the form of seminars and study visits to Sweden by officials from Murmansk, Karelia, Kaliningrad and Leningrad County. Cooperation with Karelia continued into the 2000s. The Swedish partners in these activities have been the Swedish Tax Agency and various county taxation authorities.

At federal level, cooperation within the tax collection field has been carried out between the federal taxation agency and the Ministry of Finance within the framework of the SRSP Programme (see below), in which staff from the Swedish Tax Agency have participated. Activities have been aimed at company registration, taxation debt and taxation controls. Almost 60 activities have been implemented aimed at the renewal and development of the Russian tax collection system.

In addition there has been direct cooperation financed by the Ministry for Foreign Affairs during the period 1992–2007 between the Swedish and Russian ministries of finance in the SRSP Programme (Swedish-Russian Cooperation Programme). A total of almost SEK 70 million has been disbursed during this period, at an average of around SEK 5 million per year. This cooperation was initiated in response to a Russian request for Swedish expert advice for the Russian ministries of finance and economic planning. Activities have been concentrated to the areas budget management, budget development, state financial controls, taxation legislation and the development of the financial markets. The project organisation has consisted of a project office at the Swedish Ministry of Finance with a Project Manager plus a coordinating office in Moscow.

This cooperation has been evaluated three times, the first time as early as 1996. The first evaluation²⁴ made the assessment that the project had initially been successful in establishing Swedish public administration cooperation within relevant cooperation areas. However it was proposed that the forms of cooperation should be changed so that administrative responsibility would be transferred to Sida-East and the existing project organisation would cease to exist. In addition it was recommended that operations be concentrated to the areas taxation controls, budget control, state auditing and national debt management.

The evaluation of 1999²⁵ proposed that the project should be concluded within a two-year period in order to then be transferred to regular, neighbouring country cooperation. This evaluation assessed that project management had not functioned satisfactorily. However the project had created goodwill in the light of the problems inherent in implementing good development projects in Russia, even if it had been difficult to demonstrate any concrete impact of the cooperation. Inner efficiency was assessed as low, primarily due to the high cost levels connected to the activities.

24 Utvärdering av förvaltningsbistånd till Ryska federationens ekonomi- och finansministerier, Stefan Sjölander and Thorvald Pettersson, 1996

25 Utvärdering av det svensk-ryska samarbetsprojektet, Gunnar Pihlgren, 1999

However none of the recommendations concerning project management and organisation from these evaluations were implemented. The latest evaluation was carried out in 2003²⁶. Its main conclusions were that the programme's relevance was high and that operations were important for the development of the Russian public administration. The programme was assessed as having most relevance within the areas budget process, taxation policy and economic internationalisation. However the evaluators did feel that the project should be integrated into the ordinary organisation of the Ministry of Finance and not be run in project form with the aim of emphasising the long-term nature of the cooperation.

In the Final Report produced by the Ministry of Finance in 2006 it was assessed that the most successful area of cooperation had been budget development with budget reform which, according to project management, had laid the foundation of the introduction of performance management within Russian public administration. Within the budget management area the project had contributed to the creation of a modern "internal state bank". Within the financial control area there were now the technical tools available, but still not the political demand for, a more thorough internal audit function. Within taxation legislation the Swedish activities had had considerable influence on strategies selected to develop the Russian taxation system. Activities within finance market development and budget development in South Russia had, however, not generated any tangible results.

In 2002, the Russian Deputy Minister for Economic Development and Trade contacted Sweden concerning support for the reform of Russian public administration. This initiative led eventually to a request to the Swedish Agency for Public Management concerning its interest in this project. After pre-studies in the spring of 2004, a three-year cooperation project was initiated as support to Public Administration Reform (PAR). The goal of this cooperation was to develop a plan for reformation of public sector administration within the Ministry and in Murmansk County. The plan was to consist of goals, strategies and activities all aimed at enabling a transfer from the current system to a system based on performance (goals and results). During the course of this cooperation it was expanded to include a department within the Ministry and the three North Caucasian republics – Chechnya, Ingushia and Northern Ossetia. In the latter case cooperation was undertaken in consultation with UNDP. On the Swedish side, in addition to Swedish Agency for Public Management, the Swedish National Financial Management Authority, Statistics Sweden and the Swedish Administrative Develop-

ment Agency participated, with Swedesurvey for case studies and application.

In the Swedish Agency for Public Management's Final Report²⁷ results and goal fulfilment are described. The picture presented is very diverse including lack of dialogue between the project's primary partners. The Deputy Minister who had taken the initiative and was strongly committed to the project resigned and was succeeded by individuals who showed very little interest in cooperation with Sweden. Consequently as early as the preliminary problem inventory phase cooperation was characterised by lack of commitment on behalf of the Ministry in the form of no answers to regular communications and very lukewarm interest in seminars, study visits etc. Intended cooperation between Swedesurvey and its Russian counterpart also ground to a halt due to lack of interest from the Russian side. Instead of contributing to Russian reform, this cooperation project was characterised by "cooperation concerning Swedish experience within different areas without any support as concerns identification of problems, which prevented the implementation of PAR and the development of methods to solve them". Another aspect of this situation was that the political interest in PAR at federal level decreased tangibly during the course of the cooperation period in question (2002–2007).

Cooperation in Murmansk worked well, however, even without a joint problem analysis. The proposal to establish a Swedish Agency for Public Management office in Murmansk was not supported by the Russian side, but a project committee for PAR was set up and certain improvements as concerns the working environment were also implemented. Cooperation with the three North Caucasian republics primarily led to improvements within human resources policies.

One important lesson learned from this cooperation appears to be that the Russian counterparts were not keen on working in project form, i.e. at jointly, in a working group, identifying and solving problems that arise using a broad approach. They were more interested in studying international experience and then trying out for themselves what they thought would be possible to apply in the Russian reform process.

Within the PAR framework a project was implemented in Vologda County as a pilot project with ÖhrlingsPricewaterhouseCoopers (PWC) as the Swedish representative. This project was implemented between 2003 and 2007 with the aim of introducing performance management into the county administration and introducing accounting methods using accrual accounting and other international accounting

27 Svenskt-ryskt samarbetsprojekt för förvaltningsutveckling, Statskontoret, 2007

methods. In their final report²⁸ PWC writes that this cooperation worked well and that performance management and modern accounting methods are now under introduction into the administration. One reason for this was the commitment demonstrated by the leadership of the county administration, which had enabled Swedish models that had been examined during a study visit to Sweden and at seminars in Vologda to inspire and be applied in the pilot project.

Support to macroeconomic research has been provided through the Stockholm Institute of Transition Economics by both the Ministry for Foreign Affairs and Sida, in Sida's case through supplying two younger consultants to the Institute's sister organisation CEFIR in Moscow (see below). In addition, the Ministry for Foreign Affairs has provided support to the EERC (Economics Education and Research Consortium) which is a World Bank educational and research programme in Ukraine and Russia. Support to both these organisations was evaluated in 2004²⁹.

The evaluation of the Stockholm Institute of Transition Economics does not focus on Russia but does assess that support to its sister institution CEFIR (Centre for Economic and Financial Research) in Moscow has been an important contribution to the development of background information for decisions concerning economic reforms and Russian transition policies. The evaluation found that Russia – and other parts of the former Soviet Union – should continue to be a focus area for the Institute, which in the long term could also lead to the opening up of considerable markets for Swedish companies.

The evaluation of EERC assessed that the programme in Russia, at the time of the evaluation, had exerted only a modest effect on the Russian economic policy process, but that this was also in accordance with the project schedule. Before a proper research environment and research capacity could be founded, no tangible support to the reform process could be expected. The evaluation recommended a strategy through which researchers in the region are brought closer to decision-makers and also raises the question of whether the EERC should be linked together with CEFIR and others in order to establish a "Russian House of Economics".

Statistics

Public statistical production was one of the first areas of Swedish-Russian cooperation with emphasis on public administration. As early as 1993 the first statistics programme was initiated – a course in database-oriented design of statistical sys-

28 Public Administration Reform, Vologda Oblast, Final Report, Bo-Lennart Nilsson. 2007

29 Östekonomiska Institutet. Framtidsinriktad utvärdering, KPMG 2004, Krister Eduards and Lars Häggmark and EERC, Impact Evaluation – Russia, Bannock Consulting Ltd.

tems with Statistics Sweden as the Swedish partner. This was followed by another three, considerably more extensive, programmes up until 1996. The programme was extended to include further skills in database management and applications in the form of companies registers, population statistics, environmental statistics, household surveys, statistical publications, agricultural registers and gender equality statistics (see above Section 4.2.5), and also included training in management, administration and personnel issues. The counterparts were the regional statistics committees in North West Russia under the coordination of the central Russian statistical authority.

These activities were evaluated in 1996 with the main conclusion that the flexibility applied in the programme had been essential considering the rapid rate of change in Russia during this period³⁰. The evaluators also assessed that the sub-projects concerning the companies register and gender equality statistics should be prioritised and that environmental and agricultural statistics should be shifted towards statistics of importance to the Baltic Sea. Cooperation after 1998 has been aimed at the population register, regional statistics, environmental statistics and gender equality statistics, and at systems development at federal level. A total of SEK 14 million has been disbursed.

In Sida's reporting for the period 1999–2001 it was stated that this cooperation has not only led to development within the various areas of statistics, but also to organisational reforms within Goskomstat and, as mentioned below in Chapter 7, to the publishing of the brochure entitled “Men and women in Russia”.

The Labour Market

As with the statistics area, cooperation within labour market policies was an early initiative. As early as 1992, the Karlstad County Labour Board ran a project together with the employment centre in St Petersburg, a project that was later taken over by the national Labour Market Board (AMS). In 1994 AMS also initiated cooperation with the federal employment centre concerning information on job vacancies and methods for evaluation of job centre activities. The same year the Labour Market Training Board (AMU) also began a project in St Petersburg and Moscow aimed at professional training.

These projects were evaluated in 1997³¹. The evaluation found that the project had succeeded well, especially equipment and training inputs for the job centres. Both in Moscow and St Petersburg a Swedish model of active job centres had

30 Statistikproduktion i Nordvästra Ryssland, Lennart Grenstedt, 1996

31 AMS and Amu Technical Assistance Projects in the Russian Federation 1994–1996, Susanne Oxenstierna and Gunnar Pihlgren, 1997

been established with the aim of testing it for general roll out across the country. Cooperation in St Petersburg continued 1997–1999 with an emphasis on competence enhancement for the staff of the job centres especially as concerns management, evaluation methods and youth job placements. Similar activities were implemented in Novgorod and Pscov during the same period, in Novgorod with the Örebro County Labour Board as the Swedish partner.

The programme approach of developing the active job centre model into a generally applied method for job centres was evaluated in 2001³². Since 1997, twelve new projects had started up in nine regions, including two projects in Moscow directly under the Ministry of Labour Market and Social Development. The evaluation found that that goal had not been achieved. Even if operations had been impressive no dissemination had occurred outside the model offices.

Three reasons were given for this:

1. No one on the Russian side had taken responsibility for dissemination of experiences.
2. There was no clear strategy to describe how this dissemination was to be carried out.
3. The employees who were to be involved had not received any training or even been specially appointed for this task.

2000–2004 saw the implementation of seminars concerning active labour market policies and on evaluation methods for job centre efficiency based on result indicators. Other cooperation within labour market training also continued, primarily in Karelia, St Petersburg and Leningrad counties in cooperation with the European Training Foundation and with AMU International as the Swedish partner. However the preconditions for being able to introduce active labour market policies had clearly deteriorated as the Russian government 2003–2004 made the choice in principle to apply a more passive policy.

In 1999 cooperation between AMS International, county labour market boards in Västmanland and Vologda counties was initiated aimed at the development of employment opportunities and business/industry. The final part of this cooperation continued until 2007 aimed at utilising the experience of Västmanland County of stimulating employment opportunities for youth through an activity centre for job-seeking young people. The centre in Vologda was established in 2007. In the final report from 2007 it was observed that an activity centre had been established with the capacity to help five young people per day, and that methods for stimulation of youth employment opportunities were being applied to all job-seeking young people in Vologda County.

In 2005, Kursverksamheten at Uppsala University initiated cooperation with Archangel University of Technology as concerns courses within the tourism sector for 100 job-seekers of whom half were young, single parents according to the Swedish model of qualified professional training (KY). In spite of the fact that the project had chosen one of the more difficult categories of job-seekers, half of the participants had gained employment half way through the course. At the end of the course everyone had a job or had opened their own companies. The KY Model has been adapted to Russian conditions and has rapidly been noticed by other universities. Three years later, 19 universities are in the KY Programme, in some cases financed on commercial terms.

Other

Within the postal services cooperation was developed with Sweden Post and the regional postal services in St Petersburg. Cooperation was initiated with an agreement in principle in 1995 concerning a six-year cooperation project between SwedPost and the federal Russian post office. The background to this cooperation was Sweden Post's transformation from a monopoly-based government enterprise to a market controlled government company, as well as Sweden Post's range of modern services. After two years the cooperation led to a new strategic business plan plus plans of operations; however the St Petersburg post was not satisfied with the fact that no practical results had been achieved. With the aim of improving communications, SwedPost located a representative in St Petersburg.

This project was evaluated in 1998 after the beginning of Phase II³³. The evaluation found that cooperation had began to be converted into practical results which were of interest to ordinary consumers such as speed of delivery, management of customer complaints and measurement of customer satisfaction. The evaluation also found that the decision to station a representative of Sweden Post on site had been decisive for the improved relationship and for a quality improvement of operations, plus that it should be possible to roll out this experience across the Russian postal services in general. Cooperation continued until 2003.

Between 1999 and 2002 cooperation was also undertaken with the postal services in Kaliningrad with the same aim i.e. to transform the post office in Kaliningrad into a modern, service companies. The Swedish partner was Baltic Logistic Systems AB.

33 Den mänskliga faktorn, Samarbete mellan svenskt postväsende och den regionala posten i St Petersburg, Lars Rylander, 1998

Within public administration there were also a number of smaller-scale activities such as cooperation between the universities of Stockholm and St Petersburg as concerns university administration 1996–1998, which also included support to a master's programme in public administration. At the beginning of the 21st century Contrans AB carried out a pre-study on public transport in St Petersburg which was followed by support to a reform programme. Between 2005 and 2007 cooperation was underway concerning legislation on competition issues with the Swedish Competition Authority as the Swedish partner.

4.3.3 Business/industry cooperation

This section deals with the purely business/industry activities. Other activities relevant to business/industry such as taxation issues, land ownership, labour market, gender equality etc. are discussed under other headings.

One of the very earliest initiatives concerned conversion to civil use of the Russian military industry and of the advanced technology that was assumed to be in place there. As early as 1992 the then SwedeCorp drew up guidelines for how such technology could be acquired by Swedish companies. Sweden's Tekniska Attachéer (STATT) in cooperation with KTH were tasked to work with this as brokers of contacts between Swedish and Russian companies, while another task went to Innovationsinstitutet. In an evaluation from 1996³⁴ the almost euphoric mood based on these opportunities was described. Brokerage by the Institute was primarily aimed at smaller-scale Swedish companies while KTH aimed its activities at larger companies only. The form employed was known as organised brokering, i.e. primarily visits to companies and the establishment of search profiles, contact activities, symposia and exhibitions in Stockholm and St Petersburg. The aim was to lead the process up to signed letters of intent. A large number of companies expressed their interest in this project when it began in the autumn of 1993; however an evaluation noted that by January 1996 there were no signed letters of intent. The evaluation's explanation was that successful transfer of technology is often based on needs-stimulated, spontaneous direct contacts between companies. The form that had been chosen in this case (product-controlled and organised) was classified as mission impossible.

During the periods 1994–1996 and 1998–1999, Centek implemented retraining of demobilised officers from the Kola Peninsula aimed at company and banking operations.

34 Konvertering av rysk militärindustri, Maria Lindqvist, Göran Reitberger, Börje Svensson, 1996

Another extensive initiative by SwedeCorp was StartEast, which was initiated in 1994. This programme further developed the already existing StartSouth Programme and offered financing opportunities for small Swedish companies to invest in local companies in the Baltic countries, Russia, Ukraine, Moldova and Georgia. The goal of StartEast was to transfer knowledge and technology from Swedish companies to partner countries and to facilitate the establishment of small Swedish companies there.

Programme facilities were a write-off loan and a conditional loan. Loans were only allowed to amount to a maximum of 30 per cent of the entire investment. The write-off loan was to finance transfer of technology. As soon as the investment was made, the loan was written off. The conditional loan was intended to finance investments in machinery and was to be repaid within two years and could only be granted if the write-off loan had already been granted. Administration was placed at NUTEK who in turn employed Almi Bolagspartner to manage the programme.

This programme has been evaluated several times, generally always with positive assessments. An evaluation from 1997 covered the first two periods of 18 months each. During this time support had been granted to 61 investments in North West Russia. The analysis of programme goal fulfilment and effectiveness was based on a small selection of all the investments and came to the conclusion that the programme was relevant and well managed. Of 125 successful applications, 72 percent of the companies were still in operation. Continuation was recommended with proposals to improve market assessment, Swedish partners' financial capacity, development potential of the local partners and the Swedish partners' practical experience and industrial expertise.

The programme and its administration were evaluated again in 1998, 2002 and 2004. It was found that not all the Swedish partner companies had been serious in their intentions and some had attempted to exploit the programme to sell out-of-date equipment off or as a subsidy for moving machinery out and closing down operations in Sweden. A somewhat later evaluation³⁵ focused on the programme concept, not on the individual countries. No special study of Russia was carried out even if the Russian project was included in the questionnaire. In a description of the market conditions in Russia, however, it was established that the macroeconomic situation had improved during the 2000s but that the companies in the programme had had to wrestle with inconsistent and ambivalent legislation and that regulations and customs specifications placed considerable constraints on investments.

³⁵ Start East and Start South Programmes, Bo Andersson, Niklas Angestav, Helena La Corte and Anders Grettev, 2006

Small and medium sized companies are operated with enormous difficulties in Russia.

The evaluation also observed that the programme was not in line with Sida's newly adopted policy for support to the private sector according to which activities at company level should be avoided and instead activities for the further development of know-how, institution building and the improvement of the business climate should be undertaken. At the same time the evaluation noted that the results, especially the sustainability of investments made, were good and consequently there were good reasons to continue this as a "seed programme". However the programme was assessed as exerting no impact on business/industry development in general except for its direct investments, i.e. developments such as improved business climate, further technical development or market development.

The very latest evaluation of StartEast was carried out in the spring of 2008³⁶. This study, which is concentrated on activities in Russia 2005–2007, stated that the proportion of successful business projects that have been supported was high during the period studied and that StartEast was a relevant, effective way of supporting SMEs in Russia.

In 1996 support was initiated to establish the Russian Quality Award, as a contribution to management development in Russian companies. This project was started up by Recomate AB, a spin-off company of Chalmers University of Technology and was implemented in cooperation with the then Russian standardisation authority Gosstandart. The final goal of this cooperation was to create a Russian quality institute with self assessment based on Swedish experience. Ninety or so quality assessors were trained 1997–1998. The Russian Quality Award has been presented since 1997 and has now become an established institution in Russia.

Management training

Major inputs have also been carried out as concerns management training both for younger managers in general (Nordpraktik), for managers (NORLET), for bank officials in St Petersburg (International Banking Institute, IBI) and in Kaliningrad (Kaliningrad International Business School, KIBS). Nordpraktik was originally a response to the Jeltsin Initiative entitled New Managers for Russia, a training and pilot project for young managers. According to this plan 25 000 managers were to be trained and complete internships abroad in order to fulfil the needs of Russian industry up to 2002. A total of 16 countries undertook to train these managers of which Sweden, in connection with President Jeltsin's vis-

it to Sweden in 1998, offered to arrange an annual training course for 200 managers for five years. The programme started up in 1998 and was administered by Foreningen Norden, who contributed to a total of 1 000 managers completing the programme. The programme initially suffered from difficulties in recruiting suitable Russian candidates. These candidates did not always hold a leading management positions in their companies. Often their knowledge of English was poor which made training very difficult. It was also difficult from the Swedish side to find suitable host companies. Of the 200 places every year that were on offer, actually only around half were utilised. In addition, the programme in Russia was seriously delayed. The Swedish part was eventually managed without any direct connection to New Managers for Russia.

However the positive aspects included that the interns who studied in Sweden 1998–2000 formed the Russian-Swedish Association of Managers, which is registered as an NGO in Russia. This association has, as commissioned by Foreningen Norden, carried out follow up of this training input in Sweden and implemented seminars in the relevant subjects. From 2002 the programme consisted of 100 internships per year. In an impact report from 2005 concerning operations 2003–2004 it was noted that 190 Swedish host companies were involved. This report also found that 56 of the 104 companies who responded to the survey had developed or extended their business contacts with Russia.

NORLET was a cooperation project between the Nordic countries with the aim of offering qualified training for managers at Nordic schools of economics. The course was run by the Copenhagen, Oslo and Helsinki schools of economics. First SwedeCorp, then Sida contributed almost SEK 10 million to the programme.

The cooperation project between the Department of Computerised Management (IDF) at Stockholm University and the Department of Management (IFL) at the Stockholm School of Economics has provided training for bank officials at the Kaliningrad International Business School (KIBS). The aim of this course has also been to strengthen KIBS as an institution. As a result of this cooperation, KIBS earned a good reputation as a qualified institution for training and further education. The most successful part of this cooperation eventually became the further education course in management entitled Develop Your Business (DYB) which increased the demand for services from KIBS for consultancy tasks and short courses at other institutions³⁷. A total of SEK 24 million was disbursed for DYB 2000–2003. Cooperation concerning the training of banking officials was concluded in 2002, while

37 Mentioned in Cooperation with the Kaliningrad International Business School, Jakub Swiecicki, 1998

DYB has continued in that the course has been replicated in other counties.

The master's course in banking and finance at IBI in St Petersburg was underway between 1994 and 2005, first in cooperation with Stockholm University and then with Södertörn University. It was primarily aimed at mid-level banking officials. In its very first phase the target group was unemployed military officers, however since 1998 the target group has been bank employees plus staff at insurance companies, in risk capital funds and in St Petersburg's financial administration. Today this master's course is well established. More than 120 people completed it between 1994 and 2004, which is considered to have promoted the development of the Russian finance sector.

During the last few years a number of smaller scale activities have also been financed: cooperation with regional chambers of commerce, local development projects such as Grow Kaluga and Montjegorsk, plus a school network for training in business and enterprise in which students also cooperate with local small companies in their areas.

In 2004 a thematic evaluation of activities in the private sector was implemented. The analysis was broader than direct business/industry activities and also included cooperation that affected business/industry in a broader sense³⁸.

This report contained no assessment of individual activities, instead it analysed the approach used for the design of the activity portfolio in the sector. In this report a distinction is made between organic and rationalistic approaches. The former meaning gradual development, in that opportunities that arise are taken as the basis of the identification of activities while the rationalistic approach is based on a plan process with clearly stated priority principles. In summary it was assessed that Sida had applied an organic approach that had worked well but that the overall relevance of the portfolio had consequently been damaged. The selection of activities had not been made based on an analysis of which activities would best contribute to the country's economic transition. The issue was raised as to whether Sida should continue with so many small-scale activities in its portfolio or select another strategy consisting of fewer, larger projects. The recommendations were that a cooperation strategy should be made a more clearly defined governing instrument, that a more proactive identification process be applied and that more projects with an international competitive edge should be supported.

The Swedish state risk capital company aimed at development, Swedfund, currently has a portfolio of 13 investments in Russia with a total investment in the form of share capital and

38 Private Sector Development Support in Action, Carl Fredriksson, Dan Hjalmarsson, Paul Dixelius, 2004

loans of more than SEK 200 million. Involvement has been wound down in six other companies. Sida has also supplied support to a risk capital fund (EBRD North-West Regional Venture Fund), established by EBRD in 1996 for companies in the area. Swedish support amounted to SEK 50 million. Up to 2001, USD 50 million had been invested in 20 Russian companies in the region. The fund has continued its operations up until 2007.

In addition to activities under the headings above concerned with infrastructure – road safety, the postal services – cooperation has also been implemented within civil aviation, the Baltic Bridge Project. Swedavia, the international branch of the Swedish Civil Aviation Administration, was 2001–2003 a cooperation partner in Kaliningrad with North West Air Navigation Services in an activity aimed at strengthening aviation services in the area.

4.4 ENVIRONMENT COOPERATION

The Swedish-Russian reform cooperation in the environmental area has been selected by Sida for more detailed examination in this report, see Chapter 5.

5. Cooperation within the environment sector

Cooperation within the environment sector, especially as concerns water treatment, has been distinct within Swedish-Russian cooperation in that it has worked as a cohesive programme with clearly-stated goals and priorities and, in several cases, with a continuous and constructive dialogue ever since its inception in 1992. The basis of cooperation has been the 1992 Helsinki Convention (HELCOM) and its action plan for the Baltic Sea. Strong governmental commitment has been in place throughout the entire period, illustrated by the Swedish initiative NDEP³⁹ among other activities. Environmental cooperation has, generally speaking, been successful, not least as concerns the elements with direct bearing on the environment in the Baltic Sea (and which previously also included the Baltic States and Poland).

5.1 INTER-AGENCY COOPERATION

Since 1997, Sida has financed the Swedish Environmental Protection Agency's cooperation with Russian environmental authorities, first as a part of the Agency's Eastern Europe Programme and since 1999 as a specific programme for North West Russia. This support has also included activities within cross-border water projects in three basins (Peipus/Narva, Daugava/Zapadnaya Dvina and Némunas). A total of SEK 70 million has been disbursed by Sida between 1997 and 2008 for these activities.

Inter-agency support to North West Russia has encompassed five areas:

- Water resource management
- Nature conservancy and biological diversity
- Training
- Environmental information
- Environmental protection

The overall goal for the Swedish Environmental Protection Agency's Eastern Europe Programme was to assist environmental agencies in partner countries to become efficient and effective and to be able to respond properly to international undertakings in the environmental field. The specific goal for the programme in North West Russia was to strengthen environmental activities especially at government agency level,

and to contribute to the strengthening of the competence within these agencies and in the sector generally. As concerns cross-border water issues, the goal was a better environment in relevant water courses and, eventually, in the Baltic Sea.

An evaluation from 2005⁴⁰ found that the goal of strengthening environmental government agencies had been achieved to a marginal degree. The two primary reasons for lack of success were the lack of interest in the programme by the Russian federal administration, partially caused by the changes and reorganisation of the administration during this period and primarily due to lack of commitment from the federal side generally speaking.

Goal attainment varied within the various cooperation areas. The primary project within water resource management, an integrated input concerning water issues on the Kola Peninsula entitled the Kola River Environmental Programme (KREP), had worked well in itself but had not functioned as a model for replication in the adjoining geographical areas, which was one important goal. To a certain extent it had inspired the administration in the Slavjanka Water Area. The Ministry of Natural Resources had expressed its appreciation of this activity; however any practical application in other water areas could not be documented. Within nature conservancy and biological diversity some of the goals had been achieved, primarily thanks to the fact that an extensive area in the North West had been awarded the legal status of a nature reserve, which however was not the case in several other stated areas with potential conflicts between biodiversity and various forms of land exploitation such as mineral prospecting.

Training of younger environmental officers had been carried out according to plan. Capacity development had been carried out at executive officer level. However there was no strategy in place to utilise this to achieve improvements in institutional capacity in the organisations concerned, the training had been a one-off input. Within environmental information the goal was to establish a form of informal network consisting of regional websites providing local environmental information with open access to the public. These centres were, however, totally dependent on external financing so their sustainability was assessed as fragile. Within environmental protection, which was dominated by an activity aimed at revising the inflexible Russian system of emission levels, goal attainment level was high. Instead of requiring absolute limit levels for different substances to be achieved by industry, the project aimed to introduce an individual assessment in an environmental assessment according to the method entitled

40 Swedish EPA's cooperation with Environmental Authorities in NW Russia and Transboundary Water Issues, 1999–2004, Lars Rylander och Johan Willert, 2005

Best Available Techniques (BAT) in a gradual adaptation to the levels established in the HELCOM recommendations and Action Plan for the Baltic Sea. The working method adopted that used shadow testing by Swedish environmental judges in actual cases in the St Petersburg area, proved to possess considerable demonstration value and impact on local assessments.

Within cross-border water issues all the technical and administrative measures had been taken to enable the signing of agreements between the water authorities in the countries concerned. However the political process was substantially delayed. Inter-agency cooperation has been governed by a committee of representatives of the two countries' environment ministries and included working groups whose functionality has increased over the last few years. Since 2005, preparations for regular neighbouring country cooperation have been underway. From 2008, no financing will be provided by Sida for cooperation.

"The most positive aspect is that Russian and Swedish experts are cooperating in a project of mutual interest. Over time all the barriers have been cleared away. For cooperation at regional level an agreement has been made that we here will not act, only support. We have created a special directive entitled Regional Cooperation which enables cooperation between the Russian regional level and the Swedish national level. Now we are transferring the positive experiences from the water resource management project in Murmansk to a new project in St Petersburg and Leningrad County within the framework of the new law. In the longer term we want to disseminate these results to other parts of the country outside the Baltic Region." (Spokesperson for the federal Ministry of Natural Resources)

"The development of a network of natural conservation areas is a priority for Russia. The Russians asked Sweden for help in developing such areas. The Ingermanland Project was a result of this. In Russia the attitude to these issues has changed, a large number of protected areas have been created since 2004 and this work will be ongoing until the end of 2010. This is an extremely promising area in Russian-Swedish cooperation. (Spokesperson for the federal Ministry of Natural Resources)

5.2 WATER AND SANITATION ACTIVITIES

The largest grants have been allocated to water and sanitation activities that directly affect the Baltic Sea. Together with the purification of waste water in Haapsalu (Estonia), Liepaja (Latvia) and Klaipeda (Lithuania), water treatment in St Petersburg City and Leningrad County has meant that the majority of the emission sources, which far into the 1990s were responsible for much of the pollution of the Baltic Sea and that were named as pollution hot spots in HELCOM's Action Plan, have now been closed down.

In North West Russia, the South-West Wastewater Treatment Plan (SWWTP) is the greatest single investment. Total costs have amounted to SEK 1.8 billion of which Sida has provided SEK 100 million in grants for pre-studies and investments plus an additional approximately SEK 9 million for the institutional development of the water company in St Petersburg, Vodokanal, in the form of twinning cooperation with Stockholm Water. With the commissioning of SWWTP, treatment of waste water began from the 700 000 households in St Petersburg which were not previously covered by the two existing water treatment plants and whose waste water had gone directly out into the River Neva and out into the Gulf of Finland. SWWTP caused a reduction in the emissions of BOD⁴¹ of 14 800 tons annually, of 370 tons annually of phosphor and of 2 200 tons of nitrates every year. The treatment level is currently higher than 90 percent for BOD and phosphor and more than 70 percent for nitrogen which is in line with the performance level of Swedish water treatment plants⁴². These new levels lie within HELCOM recommended levels. A concluding activity was agreed in June 2008 in connection with the Swedish-Russian Forum that was held in St Petersburg. This new agreement means that Sida, as a part of the Neva Programme, will contribute SEK 48 million to the expansion of the Northern Treatment Plant for increased nutrient salt treatment. New elements will include chemical treatments at the plant, which will treat waste water from around two million people and may consequently reduce the emission of phosphor by more than 500 tons. Total investment in the Neva Programme, of which the majority is investment in sewer construction, is SEK 8.5 billion.

When the Neva Programme has been completed in 2013, the treatment of waste water from St Petersburg's around five million citizens will fulfil the requirements stated in both the EU directive and in HELCOM's new Baltic Sea Action Plan.

41 Biochemical Oxygen Demand = level of organic pollution. Clean water has BOD = 0.

42 Figures from Sida publication entitled "St Petersburg blickar framåt", 2005.

Another important result of cooperation is the altered behaviour patterns that now characterise the water company. From being a technical operations point in a municipal administration with no financial requirements for cost coverage, the water company is now an autonomous unit with financial and environmental goals. One important element is to manage water as a resource with a price that is based on considerations linked to financial and environmental sustainability. Average water utilisation has been reduced from 400 litres per person and day to 200 litres. As a sign of this radical change the manager of SWWTP was awarded the Stockholm Water Prize for 2005.

The combination of grant financing of the pre-study, equipment and consultancy inputs for institutional development has been Sida's niche in the extensive investments that have been undertaken in the Russian Baltic counties. From the Swedish side both the major consultancy companies and the big, municipal water administrations have been involved. Other actors in these investments have included Finland, World Bank, EBRD, NIB, NEFCO and in later years NDEP. For NDEP, SWWTP was its first completed investment. As mentioned initially, the Swedish Ministry for Foreign Affairs has provided support to both NEFCO, in the form of basic capital, and to NDEP. Sida has also provided contributions to the NDEP Trust Fund.

In addition to SWWTP, Sida has provided support to water treatment plants in Sestroretsk, just northwest of St Petersburg, and to four cities in Leningrad County where Sida participated in investments in Gattjina and Tichvin. In these cities, large scale disbursements have been made for equipment and institutional development of the water companies. Totally more than SEK 60 million has been disbursed by Sida for these activities. According to a final report from Sweco⁴³, which was carried out for the institutional development programmes in Gattjina and Tichvin, in 2003 the situation when the tasks began included aspects such as the fact that the municipalities owned the assets, management structure was unclear and dependency on state and municipal subsidies was great. Even if not all measures under the headings legal status, business plans and operations could be fully implemented, the assessment was that improvements were substantial within these fields.

"In the mid-nineties the municipal companies kept bouncing from one disaster to the next in an effort to avoid the water supply breaking down altogether. Around the end of the nineties it became possible to begin thinking about short-term development strategies. Since 2005 we are also working in the

43 Implementation of the Institutional Development Programme for the water utilities in Gatchina and Tikhvin, completion report, 2006, Sweco

longer term. Changes are aimed at providing quality services for the population. Now we only shut down hot water supply for repairs for ten days instead of 21 days like the rest of the country.” (Spokesperson for Gattjina City)

“Up to 2000 we had only open heating systems in Russia, in which the hot water was used both for heating and for bath-room and kitchen use. The Nordic countries have used another system for a long period that we have now learned and which saves considerable energy. Apart from the technical improvements we have also undertaken organisational changes and training which has made management interested in reducing costs and consequently affect efficiency even more. Gattjina has now been a training centre for some time; people come here from other municipalities to learn new things. Sida has asked us to show our results to others.” (Spokesperson for Gattjina City)

“We also have a project together with three other cities in Leningrad County within the Nordliga Dimensionen, in which Sida, NEFCO, NIB and other financiers make it possible for us to rebuild treatment plants so that our city can grow in the long term. Before we used liquid chlorine, now we have gone over to hypochlorite which is less toxic and in the future we intend to switch to UV radiation which is totally non-toxic.” (Spokesperson for Gattjina City)

The water companies in Novgorod and Archangel have also received support in the form of pre-studies and institutional development. In Archangel, cooperation will be under-way until 2009.

“The weakest factor was that the Swedes had too little understanding of our legislation, for instance we are not permitted to shut off people who do not pay. In order to decrease costs by shutting off people who do not pay we would have to change Russian legislation and that is determined up there in the government. And we are not permitted to increase our rates by more than 18 percent per year at the same time as the electricity rates and other costs may rise by 20–30 percent, because the suppliers are limited companies. We would need to increase our water rates by 35 percent, but we are not permitted to so we are making a loss.” (Representative for Archangel Water Company)

“Sida has given us advice on how to reduce our costs and change the organisation. As a result of this cooperation we have automated a great number of processes, a major rationalisation, and been able to cut back by 200 posts. We also have a new organisational structure with only two deputy directors so decision making is much quicker and smoother, we no longer have to wait for the decision of the Director General. We have also begun to work directly with suppliers without any go-betweens. And we have improved the flow of informa-

tion within the company.” (Representative of the Archangel Water Company)

In Kaliningrad consultancy activities as concerns the pre-studies for the treatment plant began in 1996. Preparations were seriously delayed due primarily to internal complications within the Russian administration, including financing issues. The pre-study was renewed in 2003 and the technical design has now been completed. Currently, (August 2008) procurement of the contractor is under preparation. Sida has reserved considerable amounts of financing for equipment for the future water treatment plant in Kaliningrad via a project fund at NIB.

5.3 ENERGY EFFICIENCY

In the mid-1990s, Sida undertook a dialogue in cooperation with the World Bank with federal actors in Russia on support to the renovation of the Russian district heating system. From hundreds of cities, Gattjina was selected as one of ten or so pilot cities in North West Russia and consequently became the first city to receive Swedish support for district heating and energy efficiency. Due to the rouble crisis, the World Bank abandoned its intended loan programme, but Sida continued planning in Gattjina and was able to mobilise part of the intended financing via, for example, grants from the demonstration programme DemoEast and from the Baltic Billion.

During the period 1997–2003, approximately SEK 30 million was invested in preparations, investments and institutional development aimed at improving the district heating system in Gattjina. At a later stage, in 2004, Sida financed a new pre-study and NEFCO and others undertook to finance its investment element.

In 1999, Sida contributed SEK 24 million to the rehabilitation of the district heating system in Archangel. The primary problem was that the combination of low tariffs and reluctance to pay had meant that maintenance and extension of the system could not be financed. Delays, due, among other things, to differences of opinion as concerns security requirements, made it necessary to allocate another SEK 3 million.

These two activities were evaluated in 2005⁴⁴. This report described how Gattjina had been equipped with new technology consisting of district heating pipes that produced a combination of cost and energy savings. The district heating company had been hived off from the municipal administration and had, after a three-year institutional change cooperation project, become a model for other municipal enterprises and

44 District Heating Projects in Latvia and Russia, Andes Grettve, Tord Holmström, Christofer Hök, Karl-Erik Ramström, 2005

had won several awards as the leading district heating company Russia. However the company was still dependent on subsidies, even though the tariffs necessary to break even were well within what the World Bank calculated to be a reasonable share of household disposable income. In addition the environmental improvements were tangible with an annual reduction of carbon dioxide emissions the equivalent of 7 500 tons. However the final assessment was that the district heating company in Gattjina still had a way to go before all the goals in their development programme had been achieved.

The motivation for the support to Archangel included the emergency situation that the heating company had landed in. One conclusion was that too little time had been used to prepare and understand the situation before activities were initiated. On a purely technical plane the equipment installed managed to deliver a more reliable and improved district heating service to the consumers. Environmental improvements were also tangible with annual sulphur and carbon dioxide decreases of 100 and 7 000 tons respectively. However institutional improvements were only modest and weak management could be observed in the poor financial results and lack of incentives to maintain efficient operations.

With the help of the DemoEast Programme, Swedish environmental and energy technology has been made accessible to companies in the Baltic Region, including North West Russia and the Moscow area. DemoEast was a pilot project initiated in 2001 as a complement to development and climate cooperation and was financed from the Baltic Billion 2. The government tasked Sida to administer DemoEast with the overall aim of stimulating the development of business/industry and trade in the Baltic Region and of strengthening Swedish companies' position in the area, as well as enhancing Swedish companies' participation in the business activities of the region. More specifically, DemoEast provided purchasers in the region with increased opportunities to try out Swedish equipment in the environmental and energy fields. Through this programme a purchaser could have 50 percent of equipment costs, minimum SEK 100 000/maximum SEK 3 million, financed together with a smaller scale training input in connection with the commissioning of the equipment.

DemoEast was evaluated in 2004⁴⁵. Totally, 39 applications had been approved for a total amount of SEK 60.9 million. Four of the applications, amounting to SEK 3.6 million, concerned purchasers in Russia (later considerably greater sums were paid out to, for example, the district heating plants in Kaliningrad and Murmansk). In summary it was assessed that DemoEast, due to the increasing number of applications

45 DemoÖst-programmet – svenska demonstrationsanläggningar i Östersjöregionen inom energi- och miljöteknik, Mikael Kullman, Jenny Andersson, Torbjörn Ramberg, 2004

during the period, had led to increased interest both from Swedish companies to export and from companies in cooperating countries to import Swedish energy and environmental technology. As mentioned above one of the applicant companies was Gattjina district heating company who, in this manner, acquired a gas incinerator with 800 tons decreased carbon dioxide emissions and 10 percent fuel savings as a result. Other orders included sewage pipes for the water company in Pscov, recycling plant for PET bottles in St Petersburg and biofuel boilers for two towns in Kaliningrad County.

5.4 RADIATION PROTECTION, HAZARDOUS WASTE AND AIR POLLUTION

Within the radiation protection and nuclear waste area, the Swedish Radiation Protection Institute (SSI) was the Swedish cooperation partner since the beginning of the 1990s. The current programme was initiated in 2005 and aims at improving awareness at the authorities responsible of the risks of radiation and proposing suitable, realistic solutions as well as designing a national action programme⁴⁶. The programme encompasses six areas:

- Measurement of change in radiation levels in the Brjansk area after the Chernobyl disaster. Work was initiated during the period 1993–2000. In the current phase the observations made concerning people, land, plants etc. are being checked for current validity and that reliable measurement series are maintained. Measurements of radiation from nuclear waste from, for example, medical care and gas and oil prospecting.
- Development of diagnostic reference levels.
- Studies of naturally occurring radioactivity.
- Illegal trade in radioactive material.
- Scrapping of radioactive-fuelled lighthouses (in order to create tripartite cooperation between Sweden, Norway and Finland for the demolition and removal of such lighthouses from the Baltic Sea).

Results include the observation that knowledge about radiation exposure has increased, that routines for nuclear waste management have been reviewed, that crisis preparedness and preventative measures have been improved and that legislation and inter-agency support has been reviewed.

⁴⁶ Development cooperation with Russia, Belarus and Ukraine in the field of radiation protection, Annual Report, SSI, 2007

With an allocation of SEK 2.3 million to Green Cross in Switzerland, Sweden and six other countries have also participated in the Russian programme for destruction of chemical weapons. The final report on Sida support 2005–2007 reports that one quarter of the stocks have been destroyed at seven depots all over Russia. This programme also contained support to the various processes in place to help local populations in these towns to identify solutions to this problem themselves.

Since 1970, there has been a depot in St Petersburg for non-recyclable toxic and other hazardous waste from the city and the county. This depot is located in the Neva catchment area. In 2000, EBRD approved a loan to clean up this plant. In addition Sida and the other Nordic countries have made contributions. Sida's grant has been used for studies and design, carried out by WSP International in Sweden, for the encapsulation and drainage of the depot (SEK 5 million) and for a study concerning the body of regulations for hazardous waste management carried out by the Swedish Environmental Research Institute.

Within the defence environment area, the Swedish Defence Research Agency has been involved in cooperation with Russian military and civil authorities concerning the clearing of pollution from the Ostrov Army Base. In addition the Swedish Defence Materiel Administration has participated in a project aimed at environmentally adapted decommissioning of ammunition.

Within the air quality field, SMHI (the Swedish meteorological service) was tasked in 1997 to provide advisory services for the installation and operations of a system for monitoring air pollutant levels in St Petersburg.

5.5 AGRICULTURE

Smaller-scale activities within household economies were undertaken in five Russian regions from the mid-1990s after a pilot phase 1992–93 with the Swedish Rural Economy and Agricultural Societies as Swedish partner and the federal Ministry of Agriculture as the Russian partner. Also Scanagri, the then service company of the Federation of Swedish Farmers (LRF), participated in these inputs. The aim of the programme was to provide women in rural areas with knowledge about small-scale commercial operations linked to agriculture.

In 2003 an agreement was concluded between Scanagri and Centre of Agricultural Services in Leningrad County, under the heading Agriculture and the Environment in Leningrad County, with the aim of reducing the environmental effects of agriculture. Sida financed the project, while the Swedish University of Agricultural Sciences (SLU) coordinat-

ed activities. Organisational changes during this period affected the cooperation negatively and planned results were not achieved. However, results did show that the awareness and level of knowledge of the students at the agricultural college and among farmers had increased considerably in the areas in which the project had been implemented. In addition, information from the project was utilised to establish a Code of Good Agricultural Practices in North West Russia in cooperation with Finnish and Russian experts. Consultations continued between the parties. In 2006, the second phase of the cooperation was initiated.

With the aim of strengthening Russian project ownership and facilitating monitoring and follow up, three LFA seminars⁴⁷ were implemented 2004–2005 attended by a broad selection of actors in the county. The goal for Phase 2 was formulated as follows: to reduce the long-term burden on the Baltic Sea caused by agriculture and to strengthen its sustainability at regional and local level. The project had five areas for reporting results:

- Improved awareness and information in agricultural colleges.
- Agriculture and environmental management systems.
- Policy and legislation.
- Water monitoring.
- Future regional action plan.

“We have gained new knowledge about our special area, economics. We never previously calculated ecological security as a competition factor. The problem is the new, labour-saving technology within agriculture results in watery manure that is emptied out and becomes an environmental pollutant. The Swedish analysis method shows how much fertiliser is lost this way. Now we have managed to get a grant for a farm that is introducing new technology for storage of watery manure. We want to continue with a technical partnership concerning this issue in the future.” (Spokesperson for Economic Institute)

“Before they thought that the most important thing to do was to convince the environmental inspectors, then things would be solved. But these things are not solved like that. There was enough watery manure to drown in. Now the price of mineral fertiliser has risen 2½ times, and the manure is the best fertiliser there is. You just have to use it the right way and don’t let it end up in the Gulf of Finland among the good algae.” (Spokesperson for Economic Institute)

⁴⁷ LFA (Logical Framework Approach) – seminars aimed at performance management that are implemented with the active participation of relevant actor groups

In the semi annual report for the second half of 2007 it was stated that the project had experienced difficulties with integrating government agencies into operations and that project management on the Russian side had been weak.

Reporting from the various sub-projects was slow. The participation of the farmers was also problematical – only a few farmers had shown any interest in using NEFCO credits to invest in sustainable agriculture. Financing was partially organised from other sources. Around 15 families have now introduced the new technology. The training programme in health and sustainable agriculture had, however, continued to develop and was partially implemented. All in all the programme was surrounded by a number of difficulties involved with identifying solutions for the large number of actors, and any practical results in relationship to the primary goals could still not be observed. From the Russian side it was, however, stated that the Russian institutions participating had gained greater insights into sustainable agriculture and had also understood the importance of the institutions cooperating in these operations. Study visits to Sweden had been important. A little more than SEK 30 million has been disbursed by Sida for both phases.

5.6 FORESTRY

Between 1996 and 1997, Komi Forestry Institute was supported by the Skog och Trä Foundation with the aim of strengthening the centre's capacity for training within the forestry industry within maintenance, new technology, forest planning, logistics and planting. However the project did not succeed in creating a sustainable concept due to the fact that too little documentation was established within its framework which could have been used by the Institute in its teaching.

In 2000 a project entitled Model Forest for sustainable forestry was initiated in Pscov with Stora Enso and WWF as sources of inspiration. WWF Moscow was Project Manager. The project encompassed organisations at central, regional and local levels. The aim was to try out biological and environmentally sustainable methods for thinning, felling and natural re-forestation with the aim of developing environmentally, socially and economically sustainable, and profitable, forestry.

The same year the Swedish Forest Agency together with the All Russian Institute for Further Education of Managers and Specialists within Forestry (VIPKLCh) initiated a training programme for managers at the regional forestry administrations. All the almost 200 federal forestry bosses participated in this training course. Cooperation was also implemented with the forestry project in Pscov. The project continued in

three phases up until 2004 with the overall goal of training the regional forestry managers in decision-making based on market considerations. The project also included study visits to Sweden and Estonia in which forestry has undergone a substantial transformation. A total of SEK 5.5 million was disbursed for this activity.

From 2004/2005, the various forestry projects were merged into one sector programme – the Russian-Swedish Forestry Programme. This will continue until 2010. The Project Manager is the Swedish Forest Agency with the participation of various Swedish experts. From Russia participants are: the Fund for Support to Development of Sustainable Forestry ‘Green Forest’, WWF Russia, FSC (Forest Stewardship Council) Russia and VIPKLCh. Cooperation also occurs with other actors within the forestry sector, such as the Moscow State Forestry University and the Federal Forestry Board.

The forestry programme consists of three blocks:

1. Sustainable forestry (Pscov model forest and Lisinos Forestry College),
2. Forestry policy issues (mainly seminars concerning federal forest inventories, protected forests, illegal felling etc.), and
3. Academic education within forestry (bioenergy, forestry economics etc).

Within the framework of the Model Forrest, the entire cycle of forestry norms is under development – primarily for Pscov, Novgorod and Leningrad counties. Thinning norms, norms for nature assessments, forestry renewal and clearing, clear cutting etc. which will create a stable foundation for market-regulated, ecologically sustainable forestry. In the StoraEnso concession, a large number of model areas have been established that illustrate this concept.

Pscov’s model forest is well known in forestry circles even at federal level in Moscow. The model forest receives a large number of visits from government agencies, institutes and universities, schools and the media. Based on the Pscov Model Forest there is a federal request to establish a network of model forests in Russia (depending on type of forest, climate, etc.). A model forest of more limited scope has been established at Lisinos Forestry College where it is used for teaching purposes. Teaching has been modernised in cooperation with the college’s teachers, including new textbooks. Recently the college has been selected to, in the long term, become one of Russia’s leading forestry colleges. Training seminars are held for groups including those from private Russian forestry companies concerning forest management, nature conservancy planning and certification, encompassing chain of custody, with the goal of achieving more efficient forest utilisation, improved nature assessments plus a reduction of illegal log-

ging. A data-based model has been developed for profitability calculations in connection with felling, with special consideration paid to the fact that the forest has not been thinned.

Seminars concerning forestry policy issues have been arranged in Moscow with the help of VIPKLCh. These are generally well attended including participation by representatives from high federal levels. University courses have been developed and have been held in bioenergy with forestry applications in which a textbook was produced in cooperation with the Moscow State Forestry University and SLU. Recently a textbook was approved within this educational field by the Federal Education Board as recommended literature for academic forestry courses. The forestry programme amounts to a total of SEK 45.5 million.

At the end of 2006, the State Duma adopted a new policy concept for forestry in Russia, which also contains a legal forestry code and the reorganisation of the state forestry administration. The sector is still characterised by insufficient reforestation, lack of incentives and capacity to refine forestry raw materials locally and regionally, small proportion of the population who live from forestry, plus extensive illegal felling. The new policy, together with gradually increased export customs charges for round timber, is expected to show its full impact 2008/2009 and lead to the forest being able to eventually achieve its potential as an important sector of the Russian economy.

In 2007, the Russian Federal Forestry Board took the initiative for a "Russian-Swedish Cooperation Programme within Forestry 2009–2012", which was signed in November of the same year with the Swedish Forest Agency. The strategy, which stretches 2009–2012 and is then prolonged automatically, mainly covers the areas included in the forestry programme financed by Sida: federal monitoring of forests, sustainable forestry and model forests, control of illegal felling and trade, monitoring and protection of forests against disease, training and further education plus forestry policy. The Russian side has indicated that a considerable amount of this cooperation may be financed by Russian federal funds.

5.7 CONCLUSIONS

As can be seen from the above, environmental cooperation has been successful within several areas. This specially applies to activities within water and sanitation and radiation protection, partially within energy efficiency and to a somewhat lesser degree within inter-agency and forestry cooperation. Cooperation concerning the sustainability of agriculture in Leningrad County has had a considerably longer starting stretch but may provide results in the near future.

Behind these successes there are a number of factors of the character of general lessons learned which are examined more closely below, primarily concerned with the character of the task, allocations, division of responsibility and long term nature.

The task

Of great importance to these successes has been the fact that there was a clearly-defined task to use as a foundation for this programme – HELCOM's Action Plan for the Baltic Sea, with its list of "hot spots" which all exerted a negative impact on the conditions there.

In the first Swedish government decision, the Ministry of the Environment was tasked to allocate a framework grant of SEK 108 million for assistance to companies and institutions in the realisation of this action plan. The Ministry had no routines in place for such project management so it delegated the matter to the Swedish Environmental Protection Agency. The first task within the government agency was then to obtain an overview of what other actors had planned. Eventually a certain amount of coordination was established and cooperation with primarily the World Bank and its programme for Russia. BITS, who already bore the main responsibility for reform support to Central and Eastern Europe, and who also had already carried out long term, extensive co-financing cooperation with the World Bank, were tasked to manage the special funding for environmental investments in the Baltic Sea. The officer at the Swedish Environmental Protection Agency who had begun working with these issues was recruited over to BITS to continue the work there.

HELCOM had identified 132 "hot spots" – mostly in the Baltic States and Russia. The action programme was aimed at closing these down or reducing their impact. Costs were enormous – for many it appeared unrealistic that so many financial resources could be mobilised. BITS however chose to start by prioritising activities concerning water and sewage treatment as these formed the greatest source of pollution of the Baltic Sea and of potable water sources in the Baltic States and the Russian Baltic Sea counties. Gradually, other parts of

the HELCOM action programme were brought in: strengthened environmental authorities, wetlands, energy efficiency, district heating and agriculture.

Cooperation with Russia has followed the same agenda since 1992. The fact that HELCOM is an international convention, signed by all states bordering on the Baltic Sea, has meant that the Russian federal government has also felt obliged to respect their Action Plan.

Own allocation, own administration, political support

Another explanation is that at Swedish Sida, development funding for environmental cooperation in the Baltic Sea Region has been financed for some time with earmarked environmental funding. Consequently in practice it has never been in the position of being compared to other possible priorities within cooperation with Russia, and its budget and working plans have been determined based on the Action Plan with its own allocations as a framework. Baltic Sea cooperation has also, during this entire period, been a political priority of the government, who also via the Ministry for Foreign Affairs, have provided additional support to NEFCO and NDEP. Furthermore the programme has been managed by a special, cohesive unit. This unit was first established within BITS and was then transferred to Sida-East and Sida-INEC.

Distribution of roles and responsibilities

As early as the first consultations with the World Bank and other actors, BITS and then Sida assessed that there was a niche that several other actors were not able to occupy, to allocate grants to activities that could not be financed by loans and which also could function as a risk reducer for other financiers. Water treatment, which generates no revenues, and institutional development were examples of areas where Sida could make major undertakings which would then free up the development banks' resources for other, complementary undertakings such as those within water supply. The cooperation was organised in more or less fixed forms in "Task Forces" or consortia, often with a development bank as lead agency such as EBRD within the Long Term Water Sector Development Programme for St Petersburg and the Nordic Investment Bank in Leningrad County. Other major actors included the World Bank, NEFCO (which was originally started up as a risk capital company but which later also became responsible for credits to public institutions), Finland, Denmark and, in the later phase, also NDEP. This combination of large-scale financing capacity with differing priorities as concerns components to be included, developed over time into a very smooth form of cooperation. Furthermore the arrival of NDEP on the scene has accelerated investments in Russia.

The World Bank contributed an institutional thinking mindset very early on: that environmental resources should be managed independently of any municipal or private company, liberated from continuous political control. This laid the foundation for financial and environmental sustainability of the municipal environmental companies. It should also be mentioned here that Russian public institutions in the environmental field have been willing to borrow to finance their major investments and that international financiers have been willing to lend to environmental improvement activities. The working method that was developed between Sida and water companies was of a negotiation character: “We are prepared to finance this with grants if you are prepared to make the necessary investments based on loans for example”.

Long term and continuity aspects

Another important explanation for the good levels of results is that this cooperation has been characterised by long-term thinking and continuity. On both the Swedish and Russian sides it has been mostly the same staff who have participated in discussions and cooperation. This has created mutual confidence. Continuity is also demonstrated by the fact that the preparations for the major investment mentioned above in SWWTP required 25 planning meetings, of which the 11 financiers attended practically all the meetings, before the decision on investment was taken.

6. Cooperation within the social sectors

The East Cooperation of the early 1990s, which was primarily aimed at Poland and the Baltic States, did not include any special social component. Rethinking occurred in the Special Bill of 1995 in which the previous goal formulation “to develop market economic structures” was altered to “to support socially sustainable economic development”.

Previously both in Sweden and in other places outside the Soviet Union it had been believed that social services in the Soviet society had maintained a reasonable quality and level of accessibility. After the fall of the Soviet system, however, it became clear that this impression had been far too positive and that in many cases social services had been considerably lacking with no professional workforce. The necessity for reform of the social sectors became very clear.

Furthermore it proved that rapid social transformation creates unemployment, social problems and rapidly developing income gaps in many situations – problems that, according to assessments in Sweden and by other actors involved, risked exposing the reform process to stress and in the long run would also create resistance to it. The closing down of previous systems in the social area also created the need for new systems and institutions. The response from Sweden came in the Special Government Bill of 1995 and stated that Sweden would support economic development that was “socially sustainable”, and that the social component of East Cooperation was to be strengthened. The Bill identified areas such as pensions, health and medical care, alcohol abuse, children’s needs, labour market, education, housing issues and migration for the first cooperation round. In the following years cooperation in the social area increased substantially. During his visit to Sweden in 1998, President Jeltsin was given a promise to train 1 000 Russian social workers.

The continued reform process and its effects on the economy and society, not least in the form of growing poverty in Russia, gave the government cause to further increase the growing cooperation in the social field in its Third Special Government Bill of 2001 and make it into an independent cooperation area entitled “Social Security.” Cooperation was to contribute to social security through the construction of sustainable social services and social insurance systems, improvements in public health, reform of the health and medical care system and the social care and treatment sector. Special activities to combat communicable diseases were also announced.

The emphasis of cooperation in the social area was later confirmed in both the Government Bill of 2003 on Sweden's Policy for Global Development and in the government's written communication of 2005 to the Swedish Parliament concerning Swedish Development Cooperation with CIS countries and in the West Balkans. Consequently the social area has been important to reform cooperation with Russia – and has attained growing importance based on experiences gained. During 1991–2008 this sector took approximately 10 percent of the total funds disbursed by Sida. As illustrations of this cooperation, some of the major activities are presented below.

Sida's summarised project list for cooperation with Russia during the period 1991–2008 encompasses a total of 1 243 activities of which 217 are reported as being in the social sectors under the following sub-headings:

• health and medical care	26
• health and medical care policies	21
• combating communicable diseases	7
• training of medical care staff	3
• population policies and management	2
• reproductive health	9
• sexually transmitted infections, including HIV/AIDS	18
• social services and social care	119
• combating narcotics	11

The social sector in Sida's reporting consequently encompasses two main groupings – health and medical care and social services with social care. Activities in the alcohol and narcotics area are described later under the appropriate heading. In addition there were activities within the population field. Swedish activities in the social sector have been distributed relatively evenly over the geographical cooperation area in North West Russia. Around ten activities have been undertaken at federal level in Moscow.

6.1 SUPPORT TO REFORMS IN RUSSIAN HEALTH AND MEDICAL CARE

Three sub-groups dominate within this sub-sector – health and medical care, health and medical care policies plus sexually transmitted infections including HIV/AIDS.

Eastern Europe Committee

The dominant actor on the Swedish side has been the Health and Medical Care Eastern Europe Committee under the National Board of Health and Welfare (ÖEK), a voluntary, non-profit association which, according to its constitution, is to “promote the development of good public health and good health and medical care in neighbouring parts of Eastern Europe”⁴⁸. ÖEK has 25 member organisations – health and medical care principals, government agencies, NGOs, unions and professional associations plus state and private enterprises.

ÖEK's support to the reform process after the dissolution of the Soviet Union was initiated in 1992 with a professional networking activity mostly aimed at Estonia, Latvia and Lithuania. This cooperation was concluded primarily due to these three countries becoming members of the EU in 2004. From 2000, commitments to Russia have dominated ÖEK operations with a total project allocation of between SEK 20 and 30 million annually. Of its total Sida allocations of SEK 440 million between 1991 and 2008, ÖEK has used SEK 270 million for various bilateral activities in Russia, plus part of an additional SEK 14 million that was allocated to regional projects. ÖEK has prioritised its activities based on the needs of the cooperating country, the strengths of the Swedish health sector plus Swedish national priorities. Important areas have included health system development, primary care, psychiatry, reproductive health, children's and young people's health plus preventative activities and combating communicable diseases.

Generally speaking, after the first few years, ÖEK support has stopped going directly to the original projects and moved over to new projects that are the follow on projects of the originals and which have meant an expansion and acceptance of them. Projects have been planned in consultation with the health committees of each region and often, for example as in the School of Public Health, School of Peri-natal Medicine, development of work therapy, youth health centres and primary care, have been based on a clearly stated request by one of the relevant Russian authorities. ÖEK assesses that the ten-

year cooperation period, together with local commitments at the relevant authorities, are preconditions for sustainability of results when Swedish economic support has been concluded.

ÖEK reports that results of a number of projects have been disseminated to large parts or even all of Russia, not least through seminars. In 2007, operations in Russia have been aimed at phasing out Sida financing which is to occur in 2008. One expressed ambition has been to utilise experience from this cooperation. A number of projects have, now at the end of their cooperation period with Sweden, formed networks with similar institutions all over Russia.

Results of ÖEK cooperation

In its annual and results report ÖEK states what the cooperation projects have produced in terms of results. Within primary care, for example, a regional centre for further training of GPs has been built up in Kaliningrad in collaboration with the Immanuel Kant University Medical Academy, in Vologda and Tjerepovets medical care information centres have been developed according to a model from Jämtland in Sweden and in Vologda County the expansion of the GP system has been initiated through the establishment of two GP units and a further education course to qualify as a GP and a GP nurse.

“Our cooperation with Västernorrland County in Sweden has been underway since 1996; it concerns developing primary care in our county. Then other projects were added. Cooperation has given us new knowledge and experience; we have opened four district health centres. Another important result is the doctor review method that our doctors are now using. Yesterday the Head of the County Medical Care Ministry was with us at a conference. He took a decision to disseminate our results to other units. With the exception of the fact that the Swedish side has had three different project managers in a ten year period, our cooperation has been very good and extremely efficient.” (Representative of county administration)

Since the autumn of 2006, Vologda County has been a pilot project area for the development of general medicine, as well as for models for health and medical care financing. A Swedish project manager has worked as an adviser to the County Health Committee. Extensive exchanges with Sweden and other Nordic countries has been arranged. Experience from Jämtland and other places has been utilised to establish a medical further education facility in Vologda and medical care information centres in Vologda and Tjerepovets. In more sparsely populated areas cooperation has decreased professional isolation and resulted in a stronger interest in evidence-based – i.e. scientifically based – examination and treatment methods.

Within the communicable diseases area, cooperation concerning sexual and reproductive health and rights (SRHR), since its start up in 1994, has been developed from a small laboratory project in Lithuania to two extensive SRH network projects in North West Russia and to a project for international collaboration between Eastern European countries with the aim of establishing standards for diagnoses of genital infections. The cooperation concerning health-care related infections has resulted in regional centres for health care hygiene with training activities that stretch well outside North West Russia. In the laboratory medical field, regular quality monitoring of measurements have been introduced at several hospitals in Murmansk and Leningrad counties and in several hospitals and primary care laboratories in St Petersburg. Routines and results have been presented at a number of congresses and seminars in Russia and internationally.

Some of the results of cooperation concerning SRHR include active voluntary and information operations in the Barents Region and a growing commitment to preventative activities. An important part of the SRHR work has been undertaken by Lafa (the Stockholm County AIDS Prevention Programme) to prevent the spread of AIDS, in cooperation with St Petersburg by, for example, producing a manual on sex and social life entitled “Röda Tråden” (literal translation The Red Thread). According to Lafa, 1 600 copies of this book have been distributed to schools and youth health centres in the county who have ordered it. The city of St Petersburg now has 18 youth health centres staffed by specially trained personnel. Eleven districts have employed specially trained school personnel to teach sex and social life. Several NGOs in the city are now working with young people’s sexual and reproductive health.

“When our health centre began operations in this district we had up to 12–15 abortions every month that occurred very late in the pregnancy, underage kids had abortions only after 4–5 months into the pregnancy. Since then this number has decreased steadily and now we have only a few such cases, perhaps 5 or 6, every year so this is clearly reflected in the statistics. Another important result is the new legislation from 2003, which legalises our operations.” (Head of Youth Health Centre)

The reform of Russian psychiatry has also received support from ÖEK, which has contributed to the reorganisation of psychiatric care in Kaliningrad with an emphasis on open care, to the formation of local voluntary organisations aimed at family therapy in Kaliningrad and St Petersburg, plus to a new, improved working method as concerns seriously ill patients in Petrograd District – together with a network for dissemination of new knowledge and to initiate further development.

“The best thing is that we and the Swedish specialists speak almost the same language, we have a joint understanding of a common problem. We have achieved a definite change of attitudes, and we can see the results in the statistics in which the number of people admitted to hospital has been drastically reduced. The new work forms with open care and home care have also brought considerable cost decreases for the state. (Head of County Psychiatry Department)

In summary, ÖEK assesses that the activities in Russia, which were planned in 1997, are now generating results in the form of changes to central directives, modernisation and streamlining of care and the introduction of evidence-based care and primary health care. The bottom-up strategy selected is regarded as successful as is the strategy aimed at implementing the development of improved medical and health care in regional cooperation with the Baltic countries.

“The starting up of programmes has often taken a long time. For example it took six months to plan the primary care programme. And one difficulty has been the fact that ÖEK management changed and then the programme changed too. Neither has the Swedish side always understood operating conditions and regulations in Russia. For example they did not understand that when the upper management is changed then perhaps people at high levels of responsibility can no longer participate. However it was the Swedish project that was decisive as concerns whether primary care reforms were to continue, both as concerns federal legislation and in the form of increased salaries for doctors in primary care. Cooperation with the Swedes continues but now the Russian side is paying all the basic costs and the task of the Swedish side is to offer areas of interest to the Russian side. (Representative of Regional Health Committee)

Other cooperation partners in the health sector

Sida has also provided extensive funding for the fight against HIV/AIDS via channels other than ÖEK, for example for HIV preventative NGO activities among prostitutes in six different municipalities, for HIV preventative activities and sex education in schools in Kaliningrad, plus via the AIDS Foundation East West to HIV prevention in seven Russian prisons in cooperation with the Russian Ministry of Justice and with local health authorities and NGOs. Malmö City has contributed to the establishment of a centre for syringe exchange and to an information campaign in Kaliningrad. During the period 2000–2004, Stockholm County Council worked with preventative methods concerning sexually transmitted infections and unwanted pregnancies in St Petersburg. Within the framework of an HIV/AIDS project in Kaliningrad financed by Tacis, Region Skåne has contributed train-

ing inputs, targeted on HIV positive mothers-to-be who are often drug addicts with the aim of preventing the transfer of the infection to their children.

UNAIDS has received financing for its activities concerned with supporting policy and institutional development. Harmonisation of this project was carried out by British DFID. UNAIDS has reported that the development of a National Russian AIDS Policy is now almost complete and that a National AIDS Commission was established in 2006.

From 1997 to 2008, project cooperation was underway between Swedish RFSU and the Russian family planning organisation RFPA within the SRHR area. An evaluation in 2002⁴⁹ of the SRH project showed that it had succeeded in gaining attention for SRH issues in schools and in consolidating cooperation between health and teaching staff who were working with young people. However it had not succeeded in achieving a switch from the biological to a more social and problem-oriented approach to teaching in schools, neither had results been achieved from a gender perspective. To these conclusions it could be added that the preconditions for SRHR work among young people in Russia have further deteriorated in that the church has become an increasingly active player against sex education and that leading individuals in the country are becoming interested in increasing the birth rate in the country.

“Our Swedish cooperation project gave us a very strong push forward – information and training, methods and technology, which we have integrated into our work. However the sex education programme is not going well as attitudes in the regions are negative. It is generally negative and no one wants to listen to us anywhere, worst of all is Moscow. The process at federal level is reversing now, but that has nothing to do with Sida’s efforts. (Representative of RFPA)

TB has also been in the news. WHO has received a total of SEK 11 million for TB prevention and control in Kaliningrad, primarily with the aim of improving diagnostics, laboratory operations, treatment, social support and monitoring of TB patients. Special attention is paid to HIV positive patients. According to WHO project cooperation has contributed to strengthened regional political commitment to the issue, improved regional TB policy and control, a strengthened laboratory network for TB discovery and diagnosis plus improved knowledge and competence levels among the staff working with this disease in the regions. WHO states that, in spite of its successes, both diagnosis and treatment capacity is still insufficient, especially for the weaker groups among the population. The regional capacity to sustainably control multi-resistant TB, as with HIV-linked TB, lacks much.

In the medical care policy area, Sida has, in addition to the ÖEK activities mentioned above, also contributed to consultancy activities, training and coordination within the framework of the World Bank Health Reform Implementation Project in cooperation with the federal Ministry of Health in Moscow for the restructuring of medical care in the Novgorod and Tjuvasj regions. This activity resulted in a reform plan for medical care in the county but was concluded earlier than planned as Novgorod County was refused permission by the Ministry of Finance to take out a project loan from the World Bank.

6.2 SUPPORT TO RUSSIAN SOCIAL SERVICES AND SOCIAL CARE

Social work

Of the 217 activities mentioned above within the social area, 130 are found within the social care and social services sectors⁵⁰. Extensive support has been provided for the establishment and improvement of Russian capacity as concerns social work. The majority of regions in North West Russia have been reached by such activities from Sweden. Umeå University has been working in Archangel to help in the improvement of the academic capacity in the newly-started courses in social work at the university there. Similar activities have been jointly implemented by Umeå and Stockholm universities aimed at strengthening the pedagogical and academic capacity in the social field at two universities in Murmansk and Karelia. In Kaliningrad, Kalmar Municipality has implemented a project aimed at training social workers and key officials and participating in the development of action plans for social work at different levels in the region.

Stockholm University (SU), Department of Social Work (from 2007 through Inswed), who have carried out a series of activities in Russia, has participated in a more than ten-year cooperation project with the Social Committee in St Petersburg concerning the development of social work in the city. This cooperation, which has been underway in six different phases between 1997 and 2008, has encompassed social policies and social services, financial assistance, care and rehabilitation of disabled people, care of the elderly, support to children at risk plus legislation in support of social reform. Cooperation has primarily consisted of theoretical education together with practical advisory services and supervision plus the implementation of eight different pilot projects for social services in St Petersburg.

One of these pilot projects aimed at children of substance abusers, works on four different aspects: with pregnant substance abusers, with children of substance abuser parents, with the management of children's groups plus with open care for substance abuser parents. According to SU, the Russian personnel are now knowledgeable in the working methods and apply them independently.

Another pilot project, foster care, was aimed at children who were unable to live with their parents for a shorter or longer period of time, while the goal was to be reunited with them. The planned centre and its staff are now established and have received a function for the training of future foster parents. Cooperation between the different parts of the administration is working but requires more time for further adaptation. Pilot projects also included Karlsson, a day centre where intellectually challenged young people can be trained to develop individually by becoming part of a work team, and Sadovaja, a group home for intellectually challenged young people in two modified municipal apartments which are staffed 24/7. The implementation of the Sadovaja Project, which has contributed greatly to the normalisation and integration of the young people in question, suffered initial severe delays but has now developed into a model for assisted living in the city and, according to SU, receives a good number of study visits.

SU's cooperation with St Petersburg was evaluated in December 2000, after three years⁵¹. The evaluation found that support in the policy and legislative area had produced clearly observable results, that training inputs and conferences had formed a valuable contribution to the work of change and that six pilot projects had been started up albeit after a certain delay. From the sixth and final cooperation phase 2005–2007, SU reports that the pilot projects had left operations after them which have now been incorporated into the city's ordinary range of services. Municipal guidelines have been established and adopted for four areas of social work – children and family, young disabled people, foster home care and social services offices. Changes to approaches used and increased understanding had contributed to improved working methods. However the intended institute for further education of social workers in St Petersburg, based on cooperation results, had not been established. SU regards the changes in approach and treatment that the cooperation has helped to achieve among staff and decision-makers as one of the most important results achieved.

51 Project for Development of Social Work in St Petersburg 1998–2000, Nils Öström and Dmitri Gavra, January 2001

“We have undertaken extensive cooperation with Sweden. This has resulted in new techniques, for example group homes for young people with mental disabilities, new treatment methods such as intensive family therapy, decreased costs through group homes instead of special institutions, new organisation in the city, changes to cooperative relationships with other authorities or clients, and legislation about group homes. The city’s experience with adapting Swedish knowledge to our Russian reality is unique. We now teach specialists from remote regions and disseminate the knowledge we got from the Swedes.” (Representative of the Social Committee in St Petersburg)

The Kristinehamn Folk High School has also cooperated with St Petersburg. During 1999–2008 activities were underway to assist disabled people to enter the labour market with the help of new, coordinated activities provided by government agencies and NGOs. Staff at job centres and in the social sector agencies have been trained in how to support disabled people to identify suitable employment by focussing on individual needs and capacities.

For a ten year period Luleå Municipality cooperated with the County Administration of Murmansk County within three areas – children, young people and the family, living conditions for disabled people, plus women and substance abuse. According to Luleå Municipality, activities have resulted in increased knowledge and understanding of people in vulnerable situations and of their needs for support plus has contributed to the establishment of new specialist functions and to increased cross-sectoral collaboration.

One activity was also carried out at the federal Ministry of Social Affairs by Götestam Consultants concerning the development of quality standards within social child care with the aim of developing and disseminating the results of various local projects in a more structured form. Five main standards and a monitoring system have been developed and training in strategic planning has been implemented.

Alcohol and drug abuse

Contributing to the reduction of alcohol and drug abuse in Russia has been the goal of a series of different activities. NIRÁS (previously Scanagri AB) has, jointly with IOGT-NTO, supported the strategy and policy development for the management of alcohol and narcotics abuse at workplaces at three companies in Petrozavodsk – a tractor factory, a construction company and the city waste management department – which has resulted in a substantial reduction in the number of alcohol and drug related accidents there.

The Swedish National Association for a Drug-free Society (RNS) and Russian European Cities Against Drugs (ECAD) have developed a circulating photo exhibition. RNS reports that 60 000 people have seen the exhibition and that the awareness and competence of authorities and NGOs has increased, but that cooperation between these two groupings has not actually improved. Anti-drug information material that is used in Sweden to prevent young people's abuse of narcotics, has been adapted to Russian conditions and translated into Russian. RNS has, together with ECAD, also implemented a larger activity in three phases based on the Swedish "Drug boxes". More than 20 000 of these have been produced and distributed containing information material for young people, together with a training programme for teachers, youth leaders, social workers and police officers in St Petersburg and other parts of North West Russia. These activities have been assessed by the Russians responsible for the programme as having contributed to the prevention of the spread of narcotics at a stage when the deconstruction of the old system had left room for a "narcoticisation" and for the spread of drugs in St Petersburg, and where the situation in the country is characterised by serious lack of information on the risks of drug abuse.

"It's the follow-up principle that brings results. If we had not worked with combating drugs in a goal-oriented fashion, as well as with other problems like poverty, freedom of speech etc. we would not have succeeded. And Sweden has acted very wisely here. If St Petersburg had become one great big narcotics dump then the drugs would obviously have landed in Sweden too. Another long-term result is the method that means not looking for whose fault the problem is, instead showing that there is a conflict between the state and the drug market. If the state wants to win then the different authorities have to collaborate – police, doctors etc. The problem is that the state drug fighting concept is out of date and it is this we are trying to renew." (Head of the Fight against Narcotics in St Petersburg)

The Norrbotten Basketball Association has contributed to the establishment of drug-prevention centres and parents' associations in five towns in Murmansk County. This activity has been received with great interest and has resulted in a new approach to, and prioritising of, these issues. Experiences are now being used in a similar project in St Petersburg.

As part of the fight against narcotics, Sida has also funded the work of KRIS (Criminals' Revenge in Society) with the creation of two Russian sister organisations aimed at supporting the reintegration of criminals into society. This support has consisted of competence development and information and has been aimed at prisons, authorities and schools.

KRIS is now established in three Russian cities – Novgorod, St Petersburg and Kaliningrad. Around 175 individuals have been helped back into society. Discussions have been initiated with representatives of the State Duma concerning dissemination of the concept.

Inswed at Stockholm University has implemented a project concerning young criminals in St Petersburg, focused on the construction of a care chain – from opportunities for alternative punishments for underage criminals to improved rehabilitation after the sentence has been served and to better after-care using a holistic view of the youngsters' entire life situation. Solution-focused social rehabilitation work with convicted boys has now been initiated, cooperation between the authorities concerned has been improved and young people are arrested and held in custody much less than before, also re-offending rates are lower.

Children at risk

Another important area of cooperation has been care of children who are at risk. Extensive support has been provided for Leningrad County by Sörmland County Council between 1998 and 2005. In its initial phase the aim was to create a social sector in the county administration. More than 160 officials from various parts of the county participated in a basic training input concerning social work. In a later phase cooperation was focused on children's rights and conditions for disabled children and the development of a foster family and open habilitation method. Results include that the training programme concerning habilitation had been implemented, the disabled children – who had previously been regarded as impossible to educate – had received education and habilitation and that a system of foster homes had been developed.

In its cooperation with the social committees in Kaluga, Pskov and Vologda, the Zenit Foundation in Östersund, Mid-Sweden University and Jämtland County Council have contributed to the development of methodology and competence for the training of children and young people and to methodological development at the Department of Social Work. In its results reporting from Vologda to Sida, Zenit Foundation indicated that there had been an increase in knowledge of the relevant personnel, new course plans and training materials, that more than 1 000 social workers had been trained and that a large number of micro-projects had created experience and built up competence among the Russian participants in the project cooperation. In Pskov the competence level as concerns habilitation of children had been improved considerably, modern habilitation methods had been applied, adapted and developed and a regional family training centre established.

Over the period 2001–2005 Stockholm University, Inswed, has introduced methods for the early identification and support of families in crisis at a previous shelter in Otradnoje, Moscow. The network model is based on attempting to prevent institutional placement of children and young people by mapping and strengthening the network around the child at risk, and consequently preventing or shortening the period of placement in an institution. Sida notes that the shelter in question has been developed into a social rehabilitation centre and a methodology centre for networking in the city and in the country. The network methodology has now been introduced into all the equivalent institutions in Moscow. The third phase of cooperation, the dissemination phase, aimed at introducing the network method and other methods into 18 regions in Russia, is based on different regional resources and creates practical competence and training competence in the regions. More than 1 500 social workers have now undergone the relevant methodological training. The same training in another six regions has been financed by federal funding. A cooperation project with Unicef is also underway in which more regions' participation has been financed.

The Early Intervention Institute (EII) in St Petersburg who works with the treatment of children with various disabilities has been participating in a series of cooperation projects with Swedish partners since 1995. Swedish support was initiated by the Teacher Education Office at Stockholm University with an activity 1995–98 concerning family counselling, dissemination of experience and evaluation. Ersta Sköndal University College has cooperated for ten years with EII as concerns family counselling aimed at disabled children. During its final phase, this cooperation is aimed at developing research competence and disseminating methods for preventing the institutionalisation of children. Novgorod and Archangel counties are participating in this cooperation. The Swedish Institute of Assistive Technology and Stockholm County Council have made a joint effort to build up assistive technology for children. Results include training 1 800 individuals in child habilitation, creating an information centre for children's rights and building up a database of child assistive technology and child habilitation. EII has also participated in other Swedish activities, primarily from Rädde Barnen (Save the Children, Sweden) and World Childhood Foundation. In Sida's assessment these activities have been successful.

EII has developed competence for early discovery of children with disabilities and has supported, from an early stage, both these children and their families and consequently been able to reduce the number of children who have been placed in institutions. In St Petersburg the number of Down's syndrome children placed in children's homes has decreased radi-

cally. There are now clinics for early intervention in several districts of St Petersburg. This knowledge and these methods are now being disseminated to other parts of Russia and to other countries.

“We started to cooperate with Sweden during the Soviet period, it was a private initiative. Then we received support from ÖEK. In 1997 we began cooperation with Stockholm University. We have had quite a few partners in Sweden, some of them came here and thought they would tell us how things are done but we ended our work with them fairly quickly. And now Sida is our main partner in Sweden. This is not only exchange of experience; we have changed the entire assistance system and, thanks to Sida, spread such programmes all over Belarus, Ukraine and Archangel. Students come here from Leningrad County, St Petersburg, Moscow, Krasnojarsk and other places”. (Representative of EII)

“We work with families and with disabled children. We do not want to change the children; we want to change their surroundings, life and living conditions. Society must give these children the opportunity to live a normal life, to be happy in society. Previously around 90 percent of parents of Downs Syndrome children left them at the hospital where they were born. Now it is only 30 percent. This means that 70 percent live with their parents. Our future goal is to try to help all disabled children in Russia and totally change the assistance system. (Representative of EII)

“We hope to be able to cooperate with Sida for now there are results – they are opening clinics for disabled children and different departments at children’s health centres. We hope that our regional legislation concerning these programmes will be taken into federal legislation. Then the programme can be developed and disseminated all over the country”. (Representative of EII)

Further activities concerning the development of systems and capacity for the care and treatment of children have been implemented, for example Umeå City and the University of Petrozavodsk, and of Lunkonsult and the habilitation centre for children with disabilities in Archangel. Cooperation with Petrozavodsk, for example, has resulted in the modernisation of teaching of social work at the state university and that staff in the administration and at various institutions for care of children have achieved a higher competence level in their work. In Archangel, the centre has developed into a development and methodological centre, five regions outside the city have been provided with support to develop their own operations and prenatal care at two hospitals has been developed with special emphasis on support to high-risk births.

“Since the project began in 2002, the number of children with disabilities has been reduced from 1 700 to less than 1 000. We start working with the children already in the womb, for example with preparations for decreasing risk of complications at birth. Then we work with habilitation, it was a little revolution when we introduced that here. Based on Swedish experience we also created an NGO for this group – now no-one dares speak cruelly about disabled children, the whole town rushes to their defence. Now they go to ordinary schools who get extra funding for each of them. Thanks to the fact that we were able to show spectacular results to the Ministry of Health in Moscow, we got masses of financing and were able to build this palace, the House of Happiness, as the children call it.” (Representative of the Social Committee in Archangel)

“In the situation when social services work with families and children – families with disabled children, children in difficult life situations, homeless children – showing rapid growth from zero in 1994, our Swedish contacts were used to organise it. Today our contacts with Sweden have developed understanding to a new level and this has resulted in methods which, while perhaps not copying the Swedish ones, have been inspired by the Russian-Swedish cooperation. More than change this has concerned creating structures and standards. The establishment of these systems is underway all over the country, but this must be followed by quality assurance activities. Cooperation with Sweden may continue in that area. (Spokesperson for the federal Ministry for Social Affairs)

Russian care of the elderly has also been the subject of cooperation. Ersta Sköndal University College has contributed to structural reform and capacity development in relevant institutions in four Russian regions. Sida has also financed a series of activities aimed at combating trafficking in Russia. The majority of these fall within the Human Rights cooperation area, see above in Section 4.2.5.

Yet other activities within the social area have been financed via Swedish NGOs, e.g. the Olof Palme International Center (OPC), PMU-Interlife or the Swedish Mission Council (SMR), or through the framework organisations such as Forum South or the Swedish Organisations’ of Disabled Persons International Aid Association (SHIA). The operational reporting of these framework organisations is, according to Sida, presented at programme level and consequently generally lacks country or sector-specific information.

6.3 RESULTS AND EXPERIENCE OF REFORM COOPERATION IN THE SOCIAL FIELD

An evaluation in 2004⁵² examined how 24 projects within the health and social sectors had been implemented. Certain basic differences between the two sectors were identified, primarily that the Swedish and Russian actors within the health sector could use a common language from the start and in many cases had already-established contact within each others' spheres before cooperation even began. The differences between the sectors had also caused the adoption of different approaches from the Swedish side, for example the projects in the health sector were more often focussed on delivering a certain, requested type of knowledge and methodology to their Russian partners. On the other hand, certain reforms were hindered by the different group interests, for example the introduction of a GP function was hindered within medical care by widespread resistance to professional rethinking by Russian specialists.

The utilisation of different cooperation instruments varied between the projects. Study visits had, in certain cases, been arranged some time into the project implementation phase, which had made them more efficient as sources of knowledge as the participants had had time to become involved in operations and gain a foundation on which to base their new impressions. Seminars, which had been used in a large number of projects for transfer of knowledge, were very much in line with Russian traditions but proved the necessity of good quality training material in the Russian language if full impact was to be achieved.

The evaluation found it easier to measure the results of this cooperation rather than its effects, primarily as cooperation in the majority of projects had not yet been completed. The projects had, to a considerable degree, achieved the planned results. It has generally been easier to observe results within the health sector mainly because results are measured more often in this sector and its goals are more clearly defined. However in both sectors the Swedish consultants and experts had contributed to a considerable number of changes and to the extension of both theoretical and practical knowledge. Capacity development results varied between projects, partially due to investments in training by professional trainers and partially to do with the reform climate in each region. Institutional development had been slower in the social sector than in the health sector, partially because totally new institu-

52 Social and Health Sector Projects in Russia, Thomas Björnkilde and Alexandra Wynn, April 2004

tions and services had been introduced which clearly differed from the Russian traditions within social work. Institutional development had also met difficulties in the health sector not least as concerns the above-mentioned introduction of GPs. The evaluation concluded that institutional development is dependent on long-term support in which opportunities to achieve sustainable institutional change have been carefully mapped.

In addition to the evaluation's conclusion that institutional development had been slower in the social sector than in the health sector due to the introduction of totally new institutions and services, it may be noted that it was this exact factor that made the institutional development successful and contributed to the current high level of Russian ownership. It could also be added that the sometimes slow progress within health and medical care can partially be explained by the fact that there were established structures and methods in places that had to be changed. Essential reforms in this field often risked leading to protests by various groups of personnel such as the doctors previously mentioned and consequently resistance to reforms.

It can also be observed that cooperation in the social area has, to a considerable degree, benefited from in the high level of enthusiasm in both partners, an enthusiasm that on the Swedish side partially goes back to cooperation with the Baltic States. On the other hand it has been dispersed in the meaning that the same sort of activities was carried out in various different places with no coordination. Actors could have utilised each other better, for example by avoiding duplication of translation inputs. Both Russian and Swedish partners had been doubtful about sharing resources and knowledge – something that could have meant more proactive inputs in order to achieve better coordination and collaboration.

A summary of cooperation within social care and social services and its effects was made by the Swedish cooperation partners together with Sida in December 2007. At the beginning of the 1990s, cooperation in the social area had been reaching out. On the Russian side there were only vague concepts of what social work actually meant – social support was primarily regarded as financial support to deserving groups. A defectological mindset remained from the Soviet period, which in different situations worked counter to the more problem solution-oriented approaches. At the same time the extremely negative Russian developments in the 1990s had created a need for new solutions and methods within the social area and a socio-political task which, in turn, led to a demand for inspiration from outside. Fifteen years of social cooperation has generally developed an individual-based working method, a strong family focus and open care as an alternative

to institutional placement which promoted cross-sectoral collaboration, which led both to reduced duplication of effort and that the actors were now all pulling in the same direction.

Within the sub-area children with disabilities new legislation and bodies of regulation, day centres, short term respite care, group homes, more independent and self-confident cooperation partners and better training had been achieved. In addition the federal Ministry of Social Affairs had disseminated, and continues to disseminate, good experiences from the Swedish-Russian projects to other parts of Russia. Thanks to the introduction of the network method, a large number of institutional places have been closed down. In the policy and management area other results were identified – new cooperation forms such as teamwork, critical thought processes and a professional approach. Cooperation concerning abuse issues had contributed to new methods and pedagogical tools, to a new approach to abusers and to the birth of new organisations such as a parents' association against narcotics. Throughout, cooperation had contributed to a changed view of the working area concerned and to the professionals' own role in it.

The basis of the social cooperation lies in the fact that many Swedes saw the misery experienced in Russia in the early 1990s and felt involved. At the same time they have attempted to achieve attitude and system change in an enormous, complicated and slow moving society which was very different to the previous Baltic cooperation with its easiness, openness and high level of mutual confidence.

7. The gender equality perspective in cooperation

The first Special Government Bill for East Cooperation in 1995 stated that “a gender-related perspective should be utilised throughout all East Cooperation”. This issue received its own heading in the second Special Government Bill on East Cooperation in 1997, since the Swedish parliament had adopted a Special Bill on gender equality within development cooperation. A gender equality perspective was now to “characterise all East Cooperation”. Goal formulation stated that “Planned inputs are to be analysed based on the effects they may exert on women and men”, that development cooperation in all social areas were to be “designed so that they contribute to increased gender equality”, and that “special activities are to be implemented in order to increase female representation in political assemblies and to facilitate the situation of women on the labour market”.

These goals have remained throughout all the following Government Bills. The government’s current cooperation strategy for Russia 2005–08 states that “at the same time as a gender equality perspective is to characterise all cooperation with Russia, also certain targeted gender equality products should be supported. Such targeted inputs may, for example, aim at increasing gender equality within political representation, develop the role of men in the family and work to prevent gender-based violence”.

Sweden’s efforts to, via East Cooperation, contribute to increased gender equality in Russia have consequently been given their operative form according to three different lines:

- As an emphasis of development cooperation as a whole so that all activities contribute to increased equality between women and men.
- The assessment of all planned activities from a gender perspective.
- The implementation of various special activities aimed at increasing female representation in political assemblies and facilitating women’s situation on the labour market.

7.1 SPECIAL ACTIVITIES

Activities aimed at increasing gender equality have taken place in five main areas. Seven different activities have been aimed at women entrepreneurs in different parts of North West Russia. CENTEK at Luleå University of Technology has been responsible for four of these – a series of seminars during the period 1995–2002 for businesswomen in Archangel and Murmansk, plus a management institute for women in Murmansk. Cooperation has aimed at strengthening Russian businesswomen in management and decision-making roles and promoting networking between them.

The aim of the management institute is to use training to make women more competitive on the Russian labour market. Kompetensutvecklarna AB in Piteå have carried out the equivalent activities in Karelia. Norrbotten County Council have, jointly with Kemi-Tornio County in Finland, within the framework of the Nordkalotten Training Foundation, carried out a series of seminars in Archangel County with the aim of strengthening Russian businesswomen in their management role and company development through creating a network between them and their Swedish and Finnish counterparts across the borders in Nordkalotten.

Språngbrädan utveckling konsulter AB have implemented a series of activities in different Baltic States and within CIS countries, aimed both at businesswomen and at other target groups. In the WERAN (Women's Resource Centre) Project, which has been partially financed by Sida and by NUTEK and Södermanland County, the goal has been to support businesswomen in St Petersburg and Leningrad County and to develop SME cooperation between Sweden and Russia. In this project, six local resource centres have been created where around 1 500 women have participated in various activities. The project is also reported to have formed a platform for support to women who wished to stand in general elections – 14 women were elected in March 2007 to the regional parliaments in St Petersburg, Vologda and Pscov. Språngbrädan has also contributed to the establishment of three local resource centres for women's employment opportunities in Kaliningrad. Their aim has been to strengthen local democracy by involving more women in public decision-making. Also an activity that has stretched over 2½ years in Archangel has been aimed at female politicians and other groups relevant to the aim of increasing the number of women in politics.

Språngbrädan's activities in Russia and four other previous Soviet republics were evaluated in 2005⁵³. The evaluators observed that a Russian decree had been issued as early as 1993 stating that beneficial conditions were to be created for women's participation in state agencies and public organisations. The evaluators found that while project participation levels had been high, very few women had achieved any leading positions. They also found that the activities in general had contributed to increasing awareness of, and commitment to, gender issues in all five countries and that they had strengthened participants' self-reliance. They also observed that the women who had used the local resource centres of the WERAN Project were successful in their careers and in many cases had managed to expand their companies.

Operations in the evaluated projects had not attacked the structural issues but had been aimed more at the general aspects of enterprise such as entrepreneurship, business plans and networking. The evaluation felt that it was difficult to draw any clear conclusions on the effects of the project. In connection with this evaluation an agreement was concluded between NIB and the Institute with the aim of offering financing to businesswomen in the form of micro-credits, which would assist in removing one constraint on female businesses. A later (2008), independent Sida assessment of the WERAN Project considers it successful in developing capacity to support women's participation in business/industry and politics and that it has meant an important step in the strengthening of gender equality in Russia. The equivalent Sida assessment of activities mentioned above in Kaliningrad notes that the project had experienced difficulties in gaining acceptance for the cooperation by the Russian partner, but that the project was still considered satisfactory considering the preconditions in place there.

A handful of activities have been aimed at women's participation in politics and public administration in Russia, carried out by SALA-IDA (Swedish Association of Local Authorities and Regions) in Karelia and by SIPU International at federal level. The goal of the SIPU activity was to promote gender equality by also illustrating men's role in society and the family. In 2006, SIPU also began to implement a larger-scale activity in entitled "Gender, Equality and Masculinity", with emphasis on decreasing violence in homes and creating equal conditions in the public sphere. Cooperation concerns institutional coordination, information and communications, support and care of victims of violence and perpetrators plus mass media. Due to the decision taken by the Swedish Government in the spring of 2007 to bring forward the conclusion of

53 Gender Projects in Estonia, Kazakhstan, Kyrgyz Republic, Russia and Ukraine; Thomas Björnkilde, Karin Attström, Alexandra Wynn, February 2005

reform support to Russia, a planned project component aimed at the Russian civil service college has been cancelled. SIPU reports a tangible increase in awareness of the problems of men's violence to women among the residents of the town.

A third cooperation area concerned with support to gender equality Russia concerns public statistics. In cooperation lasting over several years, Statistics Sweden (SCB) and its Russian counterpart Rosstat (previously Goskomstat) have created a unit for gender equality statistics in the federal statistics office and introduced gender disaggregated statistics into Russia. This cooperation, which was concluded in 2007, was initiated in 1996 together with the regional statistical offices in Kaliningrad, Murmansk and St Petersburg. Its long term goal has been to develop national Russian statistical production with an integrated gender perspective. The cooperation has resulted in regional statistical publications on women and men and in the national publication *Women and Men in Russia* for several years.

A fourth group of activities in the gender equality field has been aimed at combating trafficking of women. These activities have been reported in the Human Rights chapter above, Section 4.2.5.

Finally some gender equality activities have also focussed on Russian men. The then Male Network (now called Men for Gender Equality) has, together with the Institute of Women and Management in St Petersburg, attempted to bring up the issue of men's violence against women with Russian men and to discuss the connection between men's violence and their family responsibilities with the aim of encouraging men's participation in gender equality activities in Russia. The same group has, in cooperation with Språngbrådan, implemented a three-year activity entitled MIR (Men in Russia), in St Petersburg with the aim of getting the issue of men and gender equality on the political agenda of the city, to inspire men to participate in gender equality activities and to increase awareness and create opinion concerning men, gender equality and non-violence. Results include that the organisation Men 21 was able to create a Center M21 in St Petersburg for violent men, that a growing number of men in various Russian public sector functions in the city have openly joined Men 21, and that the city also plans to open a centre where violent men can apply for help. At federal level, SIPU has also been tasked to promote gender equality and equal opportunities through a project dealing with men as fathers and members of society.

7.2 MAINSTREAMING

In addition to other special activities, the Special Government Bill of 1997 also stated that gender equality could be promoted within East Cooperation through two forms of mainstreaming⁵⁴. Firstly all planned activities would be analysed and assessed based on the effects they could exert on women and men separately, where women and men would be identified as cooperation partners and as actors. Secondly that development cooperation as a whole would be designed so as to contribute to the increased equality between women and men in cooperating countries.

The executive agencies (Sida, SI and the Ministry for Foreign Affairs in its government authority function) have, however, in several different contexts reported that the task of integrating a gender equality perspective into East Cooperation as a whole has been linked to a considerable number of difficulties. The response to the issue of gender equality between women and men has often been lukewarm, especially in Russia, and has been experienced by many people as an issue connected with the old regime and consequently compromised. Swedish initiatives for discussions have often received more negative than positive reactions. The programme evaluation⁵⁵ within the Committee's report entitled "Att utveckla samarbetet med Central- och Östeuropa" (SOU 2000:122) concluded that the "the overall gender equality character of cooperation between Sweden and Russia, as stated in the country strategy, does not exist."

In February of 1999⁵⁶ a consultant employed by Sida reported on experience to date of gender equality cooperation in Russia. The author stated that Sida, as concerns gender equality, had become the initiating party – in spite of the basic policy that activities are to be initiated and prioritised by the local partners – as interest in gender equality in the region was very weak. An internal review within Sida in 2000 showed that the issue of gender equality had been considered in one third of all activities during the period 1997–99. The review showed that Sida action was necessary in the dialogues with both the cooperating countries and with the Swedish partners. It also drew the conclusion that there was considerable potential in mainstreaming. The review resulted in a new Action Plan for Gender Equality for the work of Sida East which was adopted in November 2000.

54 Mainstreaming – that measures are aimed at inclusion in a stream of events or activities.

55 Att utveckla samarbetet med Central- och Östeuropa, Utvärdering av utvecklingssamarbetet, Krister Eduards, December 2000

56 En analys av genomförda insatser med inriktning på jämställdhet i Ryssland, Marina Thorborg, 1999.

In 2002 Sida reported that⁵⁷ “Targeted activities aimed at achieving gender equality between women and men have generally been able to achieve stated results, however where the gender equality aspect has been integrated, results have been more difficult to achieve.”

Mainstreaming gender equality returned the following year⁵⁸ “In 2003, Sida has implemented a gender equality course especially for Swedish government agencies working within the legal area. This course is intended to provide inspiration to further integrate gender equality into legal cooperation. Sida is attempting to integrate the gender equality aspect into the projects by increasing the number of female project implementers and project participants; however it is extremely difficult to achieve any response to these efforts.”

The Swedish Institute stated in its annual report for 1998 that it had no background information on which to base an assessment of whether the gender equality goal had been achieved. The evaluation quoted above from 2000 found only one or two gender equality oriented activities, such as within the scholarship programme. The evaluators assessed in conclusion that the gender equality goal had not been fulfilled during this period.

In 1997, the Ministry for Foreign Affairs established “an Action Plan for Gender Equality in Development Cooperation with Central and Eastern Europe”. Its goal was that cooperation would identify both women and men as actors, improve women’s opportunities to formulate their own requirements as concerns social development, and work to ensure that women and men in cooperating countries, irrespective of basic preconditions, enjoy equal opportunities to select how they wish to form their own lives. A series of measures were stated in this plan. Several years later, however, the majority of these planned measures had not been implemented. The Ministry for Foreign Affairs stated in a later memo⁵⁹ that work with gender equality in Central and Eastern Europe was prevented by the fact that “it is difficult to discuss these issues in a cooperation context. The concept gender equality is associated with duties and public intervention and generates suspicion rather than hope of better conditions.”

The East Development Cooperation Evaluation of 2000 also stated that, generally speaking, “interest in the gender equality goal appears to have weakened within the Ministry as a result of the depressing results from this cooperation to date.” At the same time the interest in the gender equality goal varied tangibly between different officials in the organisa-

⁵⁷ Sida, Annual Report 2002

⁵⁸ Sida, Annual Report 2003

⁵⁹ Jämställdhetsarbetet i Central- och Östeuropa med tonvikt på Baltikum och Ryssland, Birgitta Nordin, Memo 23 September 1999.

tions. In a working paper from 2003⁶⁰ it was even suggested that there should be a higher level of ambition as concerns the assessment of activities generally so that “In a project proposal where there is no gender equality perspective, it must be determined whether the activity could have exerted gender equality effects with an alternative design”, something which, however, has not been possible to implement in practice.

The programme evaluation above also stated that a gender equality perspective in practice only was seldom present. One third of all East Cooperation project evaluations have taken up this issue. One third – although partially another third – of terms of reference for evaluations have requested the examination of this issue. Follow up and problematisation of experiences was poor or never actually happened. The conclusion of the evaluation was that “Fulfilment of the goal concerning a gender equality perspective throughout all cooperation did not occur”.

7.3 THE BIG PICTURE IS MIXED

The picture of Swedish support to gender equality activities in Russia is a mixed one. Accessibility along the three routes available has varied considerably. Several individual activities have been able to report good results, both in their cooperation with authorities and other official actors and in joint projects with NGOs and other actors in civil society. On the other hand mainstreaming of support appears to be a more problematic method in this context. As concerns the assessment and design of activities generally, Sida’s accumulated experience is that gender equality has been taken up in the introductory, implementation or concluding phases of cooperation in approximately one third of all activities. As concerns the overall emphasis of cooperation generally, both the Ministry for Foreign Affairs and Sida, at a number of negotiations and other dialogue occasions, have brought up the gender equality issue. There are no visible results of these dialogues. In summary, mainstreaming must, in contrast to the targeted activities, be said to have produced very meagre results.

One conclusion of the picture presented here is that it can be difficult, in dialogue with the governing authorities of a cooperating country, to move against the prevailing change trends and current political priorities within the public administration. Another conclusion is that it is also difficult to gain support for ideas on cooperation that are not borne up by the prevailing values in the civil society. As in other parts of the Swedish-Russian reform cooperation, it appears more

60 Handlingsplan för ökad jämställdhet P09, Martin Hagström, 8 April 2003.

promising to, in a climate of change, rather establish cooperation with committed partners – individuals, organisations or companies, i.e. choose targeted activities in specific, goal-governed project cooperation.

This conclusion appears valid whether cooperation concerns gender equality, democracy or environmental issues. One of the primary characteristics of Swedish reform support to Russia has been to first attempt to build on – and support with advice and technical inputs – the domestic forces, individuals, organisations, who themselves wish to contribute in some way to the reform process in the country, rather than trying to introduce Swedish models and priorities where national ownership is lacking. This principle becomes very clear in comparison with other donors; please refer to Chapter 8 below.

8. Sweden's development aid in relationship to other donors

The Swedish Embassy in Moscow has reported on Russia's foreign cooperation donors, there were two reports submitted in 2002 and 2004⁶¹. These reports present the larger-scale bilateral and multilateral donors and their programmes together with the Embassy's observations and conclusions.

The largest bilateral donor has been USA. American reform support to Russia was initiated by USAID in 1992 and expanded rapidly to encompass considerable financial volumes. At its highest level, which was in 1994, it amounted to USD 1.2 billion. Allocations have fallen drastically in later years. All in all USA has spent around USD 3 billion in Russia. American support has had three primary emphases – a fair market economy, a more open democratic society and improved social services and benefits. A considerable part of American activities have been carried out by large-scale American NGOs, foundations and institutes that generally are positioned very close to the government and USAID.

An examination by the US Congress General Accounting Office, published in November 2000, of activities in Russia gave a clearly negative picture. This report pointed out that the Western donors had had no common strategy and also had unrealistic expectations and hopes about developments in Russia. In summary it was found that these major grants had achieved very little and had failed to achieve reform, if there was not already a Russian will for reform in place.

USAID continues with relatively large-scale support to Russia. The programme encompasses health, democracy and governance plus peace and security issues. In 2007 a little more than USD 78 million was disbursed which is a slight increase on 2006. Of these funds, 60 percent went to democracy support and 32 percent to health.

UK has been one of the most influential donors to Russia and has, since 2000, adopted poverty reduction as their overall goal for support. An extensive cooperation programme aimed at the continued integration of Russia into international institutions, public administration reform, democratic development and human rights was underway up until 2004. Then rapid reductions ensued, primarily caused by the UK's major undertakings concerning the reconstruction of Iraq which, like Russia, is a medium-income country. The British

61 Utvecklingssamarbetet med Ryssland – utländska biståndsgivare, Krister Eduards, 18 May 2002, and Givarrapport Ryssland, Kristian Lindvall, 17 August 2004

development cooperation agency DFID is currently retaining a certain level of commitment in the social sector, still provides support via the World bank to public administration reform (MGP 4.5 million over a period of three years) and a certain amount of support to Russia as a new aid actor. DIFD closed its Moscow office in March 2007, but did send out a new representative in the late autumn of the same year.

Finland has also undertaken extensive reform cooperation with Russia as a part of the Finnish neighbouring country cooperation. The goal has been to develop citizenship, to promote democracy and legal security, to develop public administration and support market economy structures. One important goal has also been to prevent situations that may be hazardous for Finland such as environmental and nuclear safety risks and the spread of organised crime and communicable diseases. Cooperation was also intended to promote the interests of trade and business/industry as well as considering gender equality issues. Since 2004, Finland's neighbouring country cooperation has been focussed on North West Russia, primarily St Petersburg, Leningrad Region, Karelia and the Murmansk area.

During the period 1990–2000 a total of FIM 815 million was allocated to activities in Russia, of which 25 percent went to the environmental sector. At the beginning of the decade around FIM 80 to 100 million annually was allocated to projects in Russia. Over the last few years the Finnish government has allocated between EUR 20 and 25 million annually to neighbouring country cooperation. For 2008 the government has allocated EUR 20.5 million of which EUR 19.4 million was for projects in Russia. The Finnish Embassy in Moscow and the Finnish General Consulate in St Petersburg each have control of a smaller-scale fund for contributions to local NGOs. It is possible to finance ten or so activities every year from each fund. Among other projects the Embassy has supported MSPS in 2007; please refer to Section 4.2.5 above.

Norway has undertaken a broad programme for reform cooperation with Russia. Emphasis has been on activities in the Barents area and around the Baltic Sea. Since 1993, Norway has maintained a special, National Barents Secretariat to administer extensive support to the Russian Barents Region. The primary operational areas have included health and social sector, democracy, environment, radiation protection and destruction of chemical warfare material plus humanitarian support. Activities in the Social Partnership within EU's Northern Dimension plus those aimed at improved radiation protection have also been prioritised in this cooperation.

Reform cooperation with Russia has been coordinated by the Norwegian Ministry of Foreign Affairs, not by Norad.

The line ministries have actively participated in some cases in the form of twinning cooperation such as in the legal field. Field emphasis has been on the Norwegian General Consulate in Murmansk. For the period 1992–99, half of the allocated neighbouring country funding went to projects in Russia, or a little more than NOK 1.1 billion. In the middle of the decade the government allocated approximately NOK 100 million per year to cooperation with Russia.

Danish reform cooperation with countries in Central and Eastern Europe, known as “Öststötten” has been shared among several Danish actors, primarily within the central ministries. The primary goal of the Danish “Öststötten” to Russia has been to contribute to the transfer to a market economy, to the efficient use of environmental and energy resources, and to the development of human rights. “Öststötten” has been dominated by environmental and energy activities which together have taken more than one third of all financial resources. Within Russia, Danish support has focussed on three geographical areas: St Petersburg, Pscov and Kaliningrad.

For the period 2004–2008, allocations to projects in Russia have amounted to a little less than DKK 30 million annually. Today Danish efforts are concentrated to a larger scale economic development program in the Kaliningrad and Pscov regions with a total allocation of DKK 110 million up until 2010. In addition, a limited amount of support to indigenous peoples in Northern Russia is provided as well as public administration cooperation between Danish and Russian municipalities and institutions. Due to Russia's economic growth, Danish support will be reduced. Support to indigenous peoples and to human rights will continue to be a priority.

Canada also maintains extensive reform cooperation with Russia that is administered by the Canadian development cooperation agency CIDA. The primary interests behind Canada's involvement in the Russian reform process is global security and stability, the environment in the North, democracy and the market economy in Russia, plus the development of the commercial potential of the Russian market. Consequently their cooperation has three programme goals – to support the transition to the market economy, to promote democratic development and to promote Canadian trade and investments.

To date Canada has allocated more than CAD 300 million for technical cooperation with Russia. The Cooperation Plan for the period 2002–2007 has encompassed four cooperation areas: public administration reform, market economy, civil society and sustainable regional economic development in Northern Russia. Gender and environment were overall themes for programming. Probably this cooperation will con-

tinue and its focus will still be democratic governance with special emphasis on public administration reform and legal reforms plus continued support to civil society. CIDA has also maintained three funds at the Canadian Embassy in Moscow for support to local NGOs – a democracy fund, a gender equality fund and a general development fund. In the future there will probably be only two funds – one for legal support and one aimed at corruption and minority groups.

The major part of the German reform support to Russia has occurred through the TRANSFORM Programme which has been administered by Federal Ministry of Economic Cooperation and Development and has maintained around fifty long-term German advisors within Russian institutions and companies. The programme, which was underway 1993–2003, has used approximately USD 250 million and has primarily been aimed at socially sustainable economic transition, private sector development and EU harmonisation. Experience from TRANSFORM has been mixed. Its conclusion was regarded, from the German side, as a natural step as a result of increased political stability and the strong state financial situation in Russia.

The Netherlands continues with its MATRA Programme for support to the civil society. In addition the Dutch Embassy has around EUR 400 000 annually at its disposal for support to Russian HR organisations.

The multilateral donors to the reform process in Russia are led by the World Bank. The World Bank⁶² has been Russia's strongest cooperation partner within international development cooperation and has also played an important role in its policy dialogue. Poverty alleviation is the overall goal of activities. After having been a major borrower from the World Bank during the 1990s, the Russian government under President Putin reconsidered their position. The will to take additional loans to finance reforms decreased rapidly as state finances improved, even if 22 projects to a total value of USD 2 billion are still under implementation. The Bank's advisory capacity is still regarded as interesting by Russia. In June 2008, Prime Minister Putin made it clear that Russia's relationship to the Bank had changed and that Russia no longer considered the bank as a donor but as a source of knowledge and expertise.

Instead of its previous cooperation aid strategies (CAS) The World Bank now uses a partnership strategy (CPS) 2007–2009 in Russia in which cooperation is aimed more at exchange of information, technical advisory services and for services purchased within investment and policy advice plus for continued

62 The World Bank Group in Russia includes IBRD (International Bank for Reconstruction and Development), IFC (International Finance Corporation) and MIGA (Multilateral Investment Guarantee Agency).

high level of credit provision to the private sector and a limited such service to public operations. Sida has worked in close cooperation with the World Bank in Russia.

While the World Bank maintains an overall poverty alleviation emphasis, the European Development Bank (EBRD) focuses on supporting the growth of a market economy and democracy. It finances projects for banks, industries and companies, both new and existing and supports privatisation, restructuring and development of public services. According to its mandate, EBRD may only work in countries who state themselves to be democracies.

Activities in Russia have increased in pace with the stabilisation of the Russian economy, especially support to development of infrastructure, environmental protection and direct company investments. Regionalisation of activities has been attempted – currently 90 percent of investments are located outside Moscow and St Petersburg. In 2007, EBRD invested EUR 2.3 billion in 83 projects in Russia, which is the equivalent of 41 percent of the EBRD total lending that year. The total amount lent by the Bank in Russia amounts to EUR 8.9 billion in 596 projects.

Since 2002, the EBRD has been managing the Nordic Dimension Environmental Partnership (NDEP) which, with financing from bilateral and multilateral donors and from Russia, supports Russian environmental and nuclear safety projects. To date 12 environmental projects in Russia have been approved for financing to a total of EUR 2.5 billion from the NDEP Support Fund. Two projects have been completed including the South-western Water Treatment Plant in St Petersburg.

The UN Development Group is represented in Russia by UNDP and a number of other UN agencies – UNFPA, Unicef, WFP and WHO being the most active. UNDP runs a broad programme in Russia with two major areas – Governance for Human Development and Sustainable Growth for Human Development – and have achieved relatively high levels of success in identifying local financing for their activities. However UNDP holds no prominent position as concerns cooperation coordination and policy dialogue. The two greatest exceptions from this aspect are WHO within the fight against TB and UNAIDS and its active operations in the HIV/AIDS area, including the increase of awareness of the HIV/AIDS situation. UNDP's regular, annual Human Development Report for Russia also forms an important contribution.

UNHCR retains an important commitment in the Northern Caucasus. The Russian side, however, has shown limited interest in humanitarian support which is consequently now being phased out. ANDA closed down operations in 2007. WFP will leave this year.

The UN population fund UNFPA focuses activities on reproductive health, population policies and HIV/AIDS prevention. Unicef has built its programme around the UN Children's Convention and works with infant health, children with special needs, youth health, children's rights and emergency assistance activities.

The European Community (*EC*) aid programme has been by far the largest as concerns technical cooperation in Russia. More than EUR 2.6 billion has been allocated to Russia under the EC Tacis Programme (Technical Assistance to the Commonwealth of Independent States) since 1991 aimed at promoting transition to a market economy and strengthening democracy and the rule of law. Tacis' Russian Programme has prioritised activities within public administration reform, the private sector and economic development, plus the social consequences of the economic shift. Tacis was concluded on 31 December 2006; however certain projects financed by Tacis are still under implementation. Russia has also been the most prominent recipient of support from Tacis' special nuclear safety programme. In addition, Russia participates in Tacis' common border cooperation CBC and in other subject-specific initiatives that cover several countries, as well as in the Tacis neighbourhood programme that finances cross-border projects between Russia and its neighbouring countries within EU.

Special funding has also been allocated to Russia from the European Democracy Initiative (EIDHR), from the European Commission's humanitarian office (ECHO) and from the EU joint activities for disarmament and non-proliferation. HR support has retained its, relatively modest, level of financing and consists of two components – a local component with smaller-scale grants for one or two years to support the work of Russian organisations for civil and political rights, and a global part including contributions up to EUR 1 million in which Russian organisations compete with organisations from all over the world.

In addition there were financing opportunities through the European Investment Bank which has EUR 500 million at its disposal for use in Russia, Ukraine, Belarus and Moldova up until 2007, and is able to allocate a total of EUR 3.7 billion for credits to countries in Eastern Europe for the period 2007–2013. This new mandate is to be specially aimed at projects of considerable interest to the EU within transport, energy, telecom and the environment sectors.

The Commission's own evaluation has indicated mixed results from the cooperation financed by Tacis. Poor result levels are attributed to the slow pace of reform in Russia, faults in project design and weak Russian ownership in combination with insufficient policy dialogue. In addition to the often suc-

cessful individual project implementation, the effects on policies and bodies of regulations in general have not lived up to expectations. The Russian government has often demonstrated a sceptical attitude to Tacis and has on several occasions erected barriers to implementation by refusing to cooperate when planning or by not signing agreements.

From January 2007, Tacis has been replaced by the European Commission's ENPI (European Neighbourhood and Partnership Instrument). For the 2007 programme, EUR 13 million was allocated for activities within the fields of border management, public-private partnerships and culture and civil society. Interest from the Russian side for the cooperation on offer appears lukewarm. Preparation of the Annual Plan for 2008 had, in March of 2008, still not been started as the Russian side had shown no interest in discussing its content.

The Commission has, due to the cumbersome nature of the Tacis Programme, experienced considerable difficulties in coordinating with other donors. The delegation of programme implementation to the Commission's Delegation in Moscow has improved preconditions even if any practical results from this measure have yet to appear.

Some common elements have appeared in the donor picture. During the 90s insight gradually grew as concerns the difficulties foreign reform support could meet in Russia. Experience caused adaptation and revision by several donors – sometimes of great significance. Several donors also chose to complement their activities at federal level with activities at regional or local levels often citing the difficulties of achieving any results at central level as a reason. The general direction shift concerning this was the opposite to that of Swedish cooperation which was initiated at local and regional levels and from there, in certain cases, moved up to federal level. Many of the donors, including Sweden, chose during the 1990s to expand cooperation in the social sector due to the negative social effects caused by the political and economic transition in the country. Some donors took the step full out to encompass purely poverty-oriented cooperation policies, primarily the UN group and DFID. None of the Nordic donors, or Germany and USA, took such a decision. Other priorities at the time were to strengthen the Russian legal organisation and fight communicable diseases, especially HIV/AIDS.

A pure poverty-oriented policy for development cooperation does not generally provide the same space to consider the country's own economic interests in cooperation. The degree of promotion of self-interest has varied between donors. In some programmes, for example the American, Canadian and German ones their own companies, in practice, received a considerable amount of support. In others, such as that of Denmark, Finland and Sweden, it was expected that activities

in the Russian environment would generate positive effects for themselves as well. Among the donors studied, the UK has provided the least support for their own business/industry. Denmark, Finland, Norway and Sweden, from this aspect, have been in some sort of middle category.

On the administrative level, during the first period there was a common trend – more delegation to the field. While Canada and USA, in the mid-90s, moved out much of their operations to their embassies, the EC delegation and DFID made the same change in this decade. In certain cases even locally managed funds have been in place for smaller scale activities, primarily through NGOs. Sida has retained its administration of cooperation at its headquarters. Sweden has not established any funds administered locally by embassies or general consulates.

Donors have clearly differed as concerns technical assistance (TA), especially the use of advisers for cooperation. The two extremes have been Norway, who had none at all, and Germany with fifty or so long-term advisers and a considerable number of short-term advisers. Sweden has employed only a few, long-term advisers.

Coordination has been weak. There were a considerable number of donors and the operational field has been extensive. The Russian government has, in many cases, not been willing to take responsibility for coordination or has lacked sufficient capacity to do so. The lack of efficient donor coordination has generally not caused any greater problems probably due to the enormous size of the country and well-functioning coordination has actually occurred in some areas such as public administration reform and the fight against HIV/AIDS. A certain level of donor competition may, from experience, have been an advantage for the recipient side of a cooperation project.

During the last five-year period, the strong growth in the Russian economy has led several donors to formulate new approaches for their support to Russia. All donors have, as a result of the economic developments – but also due to the increasing self-criticism as concerns the weak impact of support to date and the abandonment of the reform process in the country – taken a decision to cut back or close down support to Russia. Remaining development cooperation is increasingly aimed at sectors that are of mutual political, social and economic interest, and for democracy and the HR area.

9. Phasing out and a shift to cooperation in other forms

General decisions and allocation of funds

In its written communication to the Swedish Parliament about Swedish reform cooperation with Eastern Europe (2004/05:109) the government stated that “The preconditions for reform cooperation with Russia, Ukraine and Belarus differ, however in all three cases they have an ending point at the time when the major part of the transition from the Soviet system to a democratic and market economic system has been completed. Consequently the government assesses that, given the stage of developments in Russia, it is now justified to initiate a reduction of Swedish-Russian reform cooperation within certain areas. When this occurs, it will be mutually beneficial to allow regular cooperation to grow instead. Such cooperation has, in many cases, proved to occur and function under its own steam. In other cases it may be necessary to support the growth of neighbouring country cooperation, for example if the resources of the counterpart are limited.”

The government assumed, in its communication to the Swedish Parliament, that the majority of reform cooperation with Russia would be concluded by 2010. In 2004, total disbursements to different activities has amounted to almost SEK 320 million.

Consequently in 2007 the government determined to bring forward the conclusion of most of its reform cooperation with Russia. This decision was announced in the Spring Budget Bill of 2007. “As Russia’s strong economic growth is underway it is natural to phase out Sweden’s development aid to Russia. The government does, however, feel that there is a Swedish interest in continuing cooperation with Russia within the environmental and nuclear safety areas as well as non-proliferation of nuclear weapons and human rights.” The financing of the continued cooperation was moved from Budget Area 7 International Development Cooperation to Budget Area 5 International Collaboration and Budget Area 20 General Environment and Nature Conservancy. 2008 would consequently be the final year of cooperation within several of the sectors in Russian cooperation.

For 2009 and 2010 the Ministry for Foreign Affairs has preliminarily calculated that an annual allocation of approximately SEK 100 million, of which SEK 60 million would be via the Ministry of the Environment, for continued cooperation primarily via the Swedish Radiation Safety Authority

and the Swedish Environmental Protection Agency, and SEK 45 million via Sida for environmental cooperation and activities within democracy and human rights.

The phasing out process

Within Sida, where the preparations for a phasing out of Russia cooperation had begun in 2005, cooperation partners on the Swedish and Russian sides were informed about the earlier date for closing down cooperation. A considerable number of contracts concerning project financing were cancelled. A series of information meetings were held in 2007 with the “East Network” of Sida’s framework organisations and with the Swedish actors working within the social sectors, within democracy extension in Russia, and with SRHR issues⁶³.

In addition, Sida has held regional conferences in Archangel, Kaliningrad, Moscow, St Petersburg and Vologda with Swedish and Russian cooperation partners aimed at gathering lessons learned and experiences from cooperation to date and disseminating them to other regions and sectors in the country, as well as in order to stimulate constructive solutions for continued cooperation. A final conference aimed at summarising cooperation, the Swedish-Russian Forum, was organised in St Petersburg for almost 600 participants on 9–10 June 2008 with the aim of protecting the goodwill that Sweden had built up over 15 years of project cooperation, and in order to contribute to the development of other cooperation and financing forms in Russia as support for future regular, neighbouring country cooperation.

For SI, it was their cultural cooperation that was most affected by the early phasing out of Russian cooperation. As stated above, (see Section 4.2.3) access to special funding for cultural cooperation with Russia has afforded SI the opportunity to implement a series of larger-scale activities. This funding would now cease. SI’s Visby Programme is not affected by the phasing-out as, from 2007, it is financed by the government’s promotion budget (SEK 54 million for 2008). SI’s new management programme is also financed from there to the amount of SEK 7.5 million.

At the same time as both the Ministry for Foreign Affairs and Sida assess that the early phasing out of Russian cooperation has gone smoothly it could be observed that if the previous phasing-out plans had been retained then it would not have been necessary to cancel contracts. A considerable number of Swedish partners have expressed themselves in extremely negative terms. In certain cases the effects of these cancellations were serious, for example in the legal area espe-

cially for KKRIM whose cooperation concerning alternative forms of punishment of criminals had just started up in 2007 after certain delays and could have benefited for carrying on a year or two longer.

Neighbouring country cooperation

According to the government communication of 2005 it is “of mutual interest to allow regular cooperation to grow” between Sweden and Russia. In certain cases it may be “necessary to support the growth of neighbouring country cooperation, for example if the resources of the participants are limited.” The Spring Budget Bill of 2007 did not take up the issue of neighbouring country cooperation.

In many places, Russian and Swedish partners in different cooperation projects have made it clear that they would like to continue to cooperate, either within the framework of activities already underway or in other forms or contexts. Not least the cooperation between some southern Swedish counties and Kaliningrad County where regional cooperation that is clearly of neighbouring country interest is underway. In certain cases the Russian side has also offered to take over a greater part of the costs for cooperation. Neighbouring country cooperation may grow naturally out of current cooperation, but in most cases continued access to smaller amounts for certain costs have been stated as a necessary precondition. Swedish partners in cooperation with Russia have submitted various proposals to Sida on continued cooperation within their fields. The majority of these proposals are dependent on partial financing from Sida.

“Even if support from Sida is stopped I am sure that cooperation will continue. Now we have to consider the form in which it can continue, perhaps not as technical cooperation, perhaps as a partnership. And then we have become friends, ten years of cooperation has affected our lives and resulted in major changes. It would be difficult, if not impossible, to leave it all now.” (Representative of the Social Committee of St Petersburg)

From different places within public administration, views are expressed that Sweden has an interest in continued project cooperation with Russia in different areas, and that it would be a good thing for the public administration if the line ministries took an overall grip on this issue. Both within Sida and SI Russian operations there are currently activities that, if further financing is supplied, could offer platforms for the promotion of Sweden. Consequently, for example, SI has offered to make a new start in the culture cooperation area in Russia in a five-year promotional perspective. Even if continued cooperation between Swedish and Russian regional and local public agencies is considered to be interesting – opportunities

in the future within neighbouring country cooperation are actually better at regional and local levels where cross-border activities could be on the cards.

There is a risk that much of the relationship capital achieved to date could be lost when these contacts cease. However it has proved very simple to find new cooperation partners, as long as opportunities are created for the parties to meet, as, for example, the previously mentioned Swedish-Russian Forum in St Petersburg. It has also proved much more difficult than indicated to find new sources of financing.

In 2005, as tasked by government, Sida inaugurated the Baltic Unit in Visby. The aim of this unit is to stimulate collaboration in the Baltic Region that will bring a clear added value to Swedish actors, develop neighbouring country cooperation between Sweden, Estonia, Latvia, Lithuania and Poland, and together with Nutek, the National Board of Housing, Building and Planning and the Swedish Association of Local Authorities and Regions, follow up and disseminate experience concerning cooperation projects related to the EU in the Baltic

Region. For 2008, additional budget funding of SEK 6 million was provided together with an expansion of their mandate to cover St Petersburg, Leningrad and Kaliningrad counties. The Baltic Unit is an instrument for the promotion of Sweden; applications of a development cooperation nature are refused.

The Baltic Unit contributes to cooperation activities within the fields of environment and energy, social and health issues and civil security plus to regional development projects. It then finances preparatory meetings, conferences, study visits and pre-studies. Support is provided for cooperation between two or more countries in the region. Cooperation is to concern more than one group of actors from the Swedish side and these actors should come from different municipalities, regions, government agencies or NGOs within closely-allied sectors. Cooperation is to be to the benefit of the actors in the cooperation countries. Projects that clearly show the added value of working with actors in cooperating countries are prioritised. More than half of all grant decisions concern initial or preparatory operations, which are then intended to continue with financing from one of the three Interregional Programmes: Southern Baltic Sea, Central Baltic Sea or Regional Baltic Projects.

The Baltic Unit reports that requests from cooperating countries are increasing, not least from Russia, as concerns contact with Swedish partners for collaboration. There is no risk that an increase of this cooperation will be hampered by lack of resources on the Russian side, but from insufficient response from the Swedish side due to lack of resources.

The Baltic Unit itself assesses that access to greater funding and an expansion of mandate to include other parts of North West Russia would lead to more dynamic and worthwhile Swedish neighbouring country cooperation around the Baltic Sea, including in the form of cooperation projects between the two sides.

10. Lessons learned and conclusions from reform support to Russia

Framework for reform cooperation

Reform cooperation with Russia is something unique in the history of Swedish development cooperation. It has been a contribution to a historic transition of a major power from a one-party state in the direction of democracy, from a plan to a market economy and from a closed to an open society – a transformation in which Russia, during the course of the 1990s, went from being a strictly-regulated and centrally controlled society to a clearly uncontrolled and, in certain aspects chaotic, situation and from there at the beginning of this century to a more controlled and closed order. (See Chapter 1 above.)

Swedish reform cooperation with Russia shows great similarities with the equivalent cooperation with Baltic States. Also here it concerned cooperation for social transformation from a one-party state to democracy, from plan to market economy. Total Swedish development contributions are at almost the same level, around SEK 4 billion. All four countries are neighbours of Sweden. At the same time the differences between reform cooperation with the Baltic States and with Russia are enormous.

The dissolution of the Soviet Union meant the end of a foreign occupation of 50 years' duration for the Baltic States, for Russia it meant the end of an empire. Where the transformation of the Baltic States was a step towards a social system that large groups of their citizens had personal experience of and longed to return to, in Russia it was a step out into the unknown which was unfamiliar to the majority of its citizens and was often perceived as threatening. Where the transition in the Baltic States was experienced by the majority of the people as a move back to a longed-for political, economic and cultural union with other European countries, which was also facilitated by the contributions of a large number of returning exiles, such a frame of reference did not exist in Russia.

Furthermore the experience of the transition process in Russia was extremely negative for large groups of its population and pulled the rug out from under large numbers of individuals and from groups in society that gained their influence from the structure of the previous regime, while experience from the three Baltic States in the early 1990s was generally positive for their populations and provided an attractive future prospect. In addition, the continued transition in the

Baltic States was supported by foreign aid of considerable breadth and quality, which over the years has increasingly become aligned and in sync with national priorities while development aid to Russia never achieved the equivalent impact – instead from the turn of the century and onwards – a gap developed between Russian decision-makers and the most active donors, (See Chapter 8 above). These and other differences between the departure points of the reform process and continued developments in the Baltic States and in Russia have created decisive framework differences for the Swedish support to the two reform processes.

The Swedish contribution to the reform process in Russia could initially rest on operative experience from Baltic State cooperation which had started up considerably more quickly and had generated knowledge from a couple of years' cooperation with the Baltic States with various actors at different places in Sweden. It was also supported by the strong commitment felt by many Swedes to the alleviation of the suffering that was underway in Russia as a result of previous system changes in the country.

At the same time, in Sweden, the same self-evident commitment was not felt as far as Russia was concerned as was felt about the Baltic States. Anyhow, reform cooperation with Russia was initiated in a spirit of enthusiasm by many people. The enormous changes of the early 90s in the direction of parliamentary democracy and market economy supported widespread hope that almost everywhere in the Swedish society that Russia would be transformed, which would on a basic level move the country closer to the rest of Europe. These hopes, which also influenced decision-makers in many other places in the world and that triggered unique, extensive foreign reform support to Russia, later proved to be a chimera not only in the areas concerned with reform support but also in other fields such as security policy. In brief it can now be stated that the hopes of the West as concerns the dissolution of the Soviet Union leading to the growth of a democratic Russia, answering to the rule of law and moving closer to Europe, have proved groundless.

As far as Swedish reform support is concerned, developments have meant that the reform process, which was supported in the 1990s and that was to continue to be supported in the current decade, has gradually slowed down and has now ground to a halt – in certain areas it has even turned back. Consequently the demand for Swedish reform support within certain areas has also clearly decreased. In this section the various aspects of the Swedish reform support will be summarised and discussed against the background of the change processes in Russia.

The relevance of Swedish activities within the four goal areas

Swedish reform support to Russia 1991–2008 has concerned four cooperation areas – mutual security, extension of democracy, economic and social transition and the environment. Lessons learned and conclusions vary both between and within cooperation areas. However a common theme of the evaluations cited above, which form an important part of the underlying information for this report, is that activities have been relevant in relationship to developments in the country and the demands this imposed. The content is that the activities have been aimed at purposes that were important to the reform process in Russia and to the mutual interest of the two countries – or put more simply, the actors have done the right things.

Cooperation concerning mutual security originated in the early sovereignty support to the Baltic States which was changed a few years into the 1990s to become a contribution to common security around the Baltic Sea and consequently expanded to include activities in Russia. Security cooperation with Russia has maintained high levels of relevance throughout even if the weak demand levels from the Russian side have not allowed any great successes. It has primarily achieved sustainable effects where collaboration has been undertaken with the federal Russian authorities who are themselves strongly committed to cooperation with Sweden, especially within nuclear controls and radiation protection.

In the democracy field the journalist programmes, by both FOJO and MDLF, and support to MSPS and to Russian HR organisations appear as the most relevant activities. Here there are also clearly-visible effects, even if social developments have worked counter to their sustainability, see below. Democracy cooperation also presupposes Swedish participation and commitment – it is unclear how to proceed as, over time, support has tended to go directly to Russian organisations.

Within SI's culture cooperation, there is a considerable difference between the atmosphere in the 1990s and that of today. The hot flame of the cooperation has, according to SI, been extinguished. The strength of this cooperation has been that there was enough funding on the Swedish side; SI has been able to live large on occasions. Also the Swedish partners have worked well once cooperation had started up. A series of successful projects has been implemented, even if SI felt that sometimes Sweden did not harvest what they had expected.

The Visby Programme, which is also part of the democracy area has, like culture cooperation, been clearly tasked to fulfil mutual interests. The relevance of a neighbouring country perspective is high. The most successful cooperation has

been the research projects that have also been regarded by SI as the most interesting from a long-term promotional perspective. According to the Swedish partners in this cooperation, learning was often far more mutual than they had imagined it would be. Even the Visby Programme has been affected by the fact that the interest level in Sweden for cooperation with Russia has decreased over the last few years.

Cooperation in the local democracy field has been highly relevant in relationship to the transition process in Russia but has experienced difficulties in identifying sustainable structural connections into the Russian society. Other Swedish activities within the democracy area, such as civil society and political party organisations, for gender equality and to combat trafficking and within the legal field have also, in spite of high levels of relevance to their problem areas, had their impact blunted by lack of preconditions from the Russian side to be able to receive and benefit from the activities. In addition the capacity on the Russian side has varied over time.

Within cooperation concerning economic and social transition, special activities in the social sectors have possessed high levels of relevance, not least as they in many cases have provided the Russian side with instruments and working models that had previously been totally lacking. They had also, generally speaking, been met by a strong, maintained interest from the Russian side and had managed to contribute to sustainable institutional and methodological changes within their areas of operation.

Contributions to the development of the market economy in Russia have, in many cases, been of a one-off nature and contained relevant but relatively modest activities. Within the public administration field several activities are relevant to the reform process in Russia, not least activities on surveying, statistics and those from the Ministry of Finance. In many cases they have achieved results which may be considered as sustainable.

Environmental cooperation has been characterised by a high degree of relevance – both for the transformation of the Russian society and for the environment in the Baltic Sea. This is especially the case in the water treatment plants in St Petersburg and the more efficient urban heating systems. Support to sustainable forestry has reached a level where the practical experience at county level has impacted Russian federal forestry policies.

Seen as a whole, Swedish reform support to Russia has possessed high levels of relevance both to the needs in the country and to mutual interests. Relevance appears to be especially high within environmental cooperation and the social sectors.

Results – effectiveness, ownership and sustainability

Reform cooperation with Russia is a state-subsidised activity. The state has assessed that this is an important activity to support based on an analysis of Russia's social and economic transition and on Swedish interest in promoting growth of a neighbouring country which is stable from a security point of view with a democratic, well-functioning market economy. The previous presentation of results of cooperation is generally based on evaluations and final reports of Swedish activities. These results are assessed based on overall goals and specific, activity goals. Furthermore these evaluations must, in addition to using recognised methods to assess their relevance as discussed above, also assess the efficiency of their implementation, ownership, cost effectiveness and sustainability. Even if far from all evaluations have included all these criteria, some more clearly observable experience will be described in this section. At the same time it should be noted that the results of a cooperation project, which concern a high degree of attitude change, may be difficult to measure.

The programme contains several examples of projects experiencing difficulties in implementing according to schedule or actually achieving their planned goals at all, which has a negative impact on the effectiveness of implementation. Often the explanation is lack of ownership, i.e. that the Russian counterpart – and this is more common at federal rather than local level – has not been sufficiently invested in identifying and analysing the project or its strategic design, has not received the necessary support from higher up, or has been subjected to destructive staff turnover. One striking example is the cooperation within the PAR Process in which the Deputy Minister who took the initiative was succeeded by less enthusiastic representatives, whereupon the cooperation soon hit the wall and was only partially implemented. Other examples are inter-agency cooperation in the environment and labour market areas where intended pilot projects were not replicated as planned. One common characteristic here is that there was no joint problem and goal analysis applying the LFA Method (Logical Framework Approach) which creates a joint view and transparency as concerns the goals of the cooperation, and that also functions as governing instruments for implementation. In the absolute majority of cases, project identification has been synonymous with the Swedish government agency, institution other actor – often via a study visit – showing their working methods after which the partners have agreed to, within the framework of a common project, introduce similar systems and methods into the Russian organisation. Sometimes this has been exactly what the Russians wanted, however in many cases a sufficiently exhaustive risk analysis has not been implemented as concerns the actual

administrative or financial preconditions for the full application of a Swedish model. Especially during the politically and economically turbulent years in the 1990s and at the beginning of this century these preconditions were most often not in place.

Cost effectiveness has been assessed in several evaluations, especially as concerns business/industry cooperation, and has been judged satisfactory. In some cases, for example in the cooperation between the ministries of finance, it was noted that this appeared low at the point in time of the evaluation.

Sustainability, which is the major issue in all development cooperation, has not always been assessed in the evaluations examined. This is connected to a considerable degree to the issue of whether the project has had any effect on method, policy or institutional development or been replicated in some other way on a wider scene. From a number of projects within the social sector, reports have come of both good sustainability and high levels of result dissemination. In several other cases, especially within business/industry cooperation, comments have clearly stated that yes the projects have lived on to a considerable degree but at the same time have exerted no impact on business or industry or their development. Possibly management training has achieved an extended effect, however this has not been observed in any of these studies. The same can be said about several other projects and programmes: they have been implemented according to the original plans but hardly given rise to sustainable knowledge, institutions or effects. For example the highly relevant results produced by democracy support, via the journalist programme and MSPS and Russian HR organisations have, due to developments in society, in several cases enjoyed only limited sustainability.

The discussion on the effects of cooperation also covers the question of how positive results are possibly disseminated on into the Russian society. This was an early experience about the fact that dissemination of knowledge in Russia does not work like it does in Sweden. For example it is not an obvious move for a Russian county official to share interesting news about how operations can be improved with his/her colleagues in other counties. Reporting and information routes within public administration – and often also in the society generally – are mostly vertical. Deviations from this pattern are not encouraged, within public administration the probable result would be punishment rather than praise. Result dissemination from projects has also generally been problematical. The exceptions have been certain projects that have generated their dissemination themselves, with or without continued Swedish support, for example IOM in the trafficking area, KIBS with its management programme Develop Your Busi-

ness, Otradnoje and its networking methods for working with street children and EII who work with the treatment of children with various disabilities. Exceptions also include the cases where results have been linked to federal level with associated opportunities to disseminate them all over the country such as within the statistics area, forestry cooperation, the Ministry of Social Affairs and surveying activities.

“As concerns the dissemination of our new way of working we exert influence on three levels. I was recently in Tatarstan and gave a lecture to municipal officials there who are responsible for the coordination of their fight against drugs. We work with legislation, among other instances as members of the Steering Committee of the State Duma for the new federal law on prevention of drugs. And I have been part of the Policy Committee within the Social Policy Committee of the Federal Council.” (Director of the anti-drug programme in St Petersburg)

In the table below a summary is presented of the cooperation areas in which it is possible to identify a more sustainable impact on the Russian reform policy and on the living conditions for Russian citizens in general, of the preconditions for continued cooperation, either in the form of improvement in the environment, especially the Baltic Sea, or a transition into more long-term neighbouring country cooperation. The summary shows, for example where the different types of results can be found.

Type of result	Activity, cooperation
Policy and institutional development	Nuclear material control and radiation protection
Federal link	Land development
	Ministry of Finance issues (budget)
	Energy efficiency
	Forestry
	Medical and health care
	Social services
Lateral replication, dissemination to neighbouring areas	Trafficking
	Medical and health care
	Social services
	Statistics
	KIBS
Positive effect on Baltic Sea	Water and sanitation activities
Basis for neighbouring country cooperation	Ministry of Justice
	Cooperation between environmental agencies
	Research and higher education
	Municipal and county cooperation
	Rescue services
	Marine safety

Working method

Sweden's support to the reform process in Russia has been managed by the government and development agencies in a totally different manner to developing country cooperation. The political control of East Cooperation has been unusual. As mentioned above, by 2003 the government had submitted no less than four Special Bills to the Parliament over a period of eight years, while the government's previous four special bills concerning developing country cooperation had appeared over a period of forty years.

Sida, who had managed two thirds of the total funding for the Russian cooperation, has used different methods than with previous international development cooperation but basically the same method as for reform cooperation with the Baltic States and Poland. The primary approach has been "hands off", i.e. to allow operations to be based on the interests of the Swedish and Russian partners in order to implement common projects. After an assessment of a proposed project and the ability of the parties to implement it, Sida entered into a con-

tract with them concerning partner cooperation and cost sharing. Government agencies themselves did not carry out any overall preparation or analysis of events but could use such preparatory work as had been done by other actors such as mapping and problem analyses in the environmental area via HELCOM, or pre-studies carried out by the World Bank and EBRD. Furthermore Sid's assessment of the interested parties goals and capacity acted as the point of departure for the activities that were to be implemented.

In addition, the embassy and consulates in Russia – as compared to developing country aid – have had less delegated tasks as the administration of East Cooperation, due to its close links to the Swedish resource base has been retained at HQ to a greater degree. There has been no field-orientation of administration as there is in developing country aid.

Sida's relationship to the Russian public sector has also been unusual. Early on, several institutions on the Russian side made proposals about coordinating the Swedish support, however the issue never crystallised on the recipient side. The coordination function was limited to Sweden annually reporting all new cooperation projects to the Ministry of Economy and Planning. Neither did the governments conclude a cooperation or terms and procedures agreement as is normal with developing countries. At federal level interest in cooperation with Sweden has been limited – foreign policy is regarded there as a zero sum game so the intentions of the other party are almost always in question – while interest at regional and local levels has remained strong.

Development funding has primarily financed competence-enhancing activities while the Russian parties have been responsible for operations, renovations or investments. Certain cooperation areas have been exceptions to this limitation, primarily the environment and nuclear safety. SI's programme has also been based on extended cost sharing between the parties.

Some Swedish actors have enjoyed opportunities of maintaining cooperation over a longer period – ten years or more – for example ÖEK, the Swedish Mapping, Cadastral and Land Registration Authority, the Ministry of Finance and Stockholm University. They all feel that the duration of their cooperation has been decisive for achieving sustainable results. One prominent element of this work has also been its concentration to North West Russia. At the same time as this appears as relevant, because the period of cooperation and Swedish resources have been limited and because the focus on the North West has created solid contacts across the Baltic Sea, Swedish officials regret that they have consequently not succeeded in transferring good project experiences over to the federal level. As mentioned above, levels of ambition were con-

strained by the bringing forward of the conclusion of Russian cooperation. Managing to get the federal link to work would also, according to Sida, have required previous activities at federal level and improved control of consultants and Swedish partners.

One difference between the Swedish programme and some of the other donors has been this regional focus. While Swedish cooperation was initiated at the local and regional level and then attempts were made later to link it in to the federal level, many donors began their support to the Russian reform process at the federal level and then came to the conclusion that it was necessary to shift focus to the regional level in order to achieve any impact. This shift, however, was not necessarily aimed at the country's north-western part but developments have shown that donors have drawn the same conclusion – combined local/regional activities and then federal level when necessary.

There are other clear differences between the Swedish and other bilateral programmes. A common element of Swedish reform support has been to attempt to build on – and support with technical advice and inputs – existing, domestic forces, individuals, organisations, who themselves wish to contribute to the reform process in the country, while certain other donors had rather, with force and funding, attempted to create recipients for their own models and priorities. The former approach, which appears to be the most logical and convincing, has also with hindsight proved more efficient in terms of results.

Furthermore Sweden has gathered its forces in the environmental area to an extent only matched by Nordic donors and become involved in the social sectors and gender equality issues more strongly than the majority of other bilateral donors.

“The most important thing that all my colleagues remarked on was that the Swedish side never insisted that we should do what they do in Sweden, this was a wise attitude. They showed us how things were done in Sweden and said ‘You have your own country, do what you can in Russia’”. (Director of Women's Clinic)

“It was nice to observe how developments moved towards cooperation on equal terms. We have cooperated with a number of countries at high level but as soon as we start talking about financing ourselves and asking for expert help instead then everything was withdrawn. However Sweden showed considerable interest in our proposals and responded well so now we are working with long-term project applications. It would also be interesting if Swedish officials could teach at our training school for civil servants.” (Spokesperson for the federal Ministry of Natural Resources)

“As concerns the negative sides I feel that we could have achieved much more if the desk officer for Russia at Sida had not changed so often.” (Director of the fight against narcotics in St Petersburg)

“Sweden is highly developed within the social sphere. Sweden has its ‘Swedish socialism model’, and we have had some sort of socialism in our country so it has been easy for us to understand each other. We are also people of the North and so are quite close to each other. The language barrier can sometimes cause problems; we use different terms and concepts. Another problem is that our specialists have to work with lots of things and then become experts on everything, while the Swedes only want to take responsibility for what they are working with. For many of our specialists it was an unexpected discovery that, in spite of all preconceived notions, the Swedes were open, hospitable and interested in our processes and ready to share their knowledge.”

(Representative of the Social Committee in St Petersburg)

“I appreciate that the Swedes did not interfere with our work. Instead they shared their good examples with us in a very appropriate manner, not pushy, and left the decisions to us. But in the beginning we did not understand anything, in spite of the fact that all the words were interpreted correctly, we didn’t know how the system worked. Also it was often the case that, after the first study visits to Sweden, emotional experiences dominated, that we compared how people live in Sweden and in Russia. We did not understand why we live as we do, why we are not needed, but then people began to understand what they were to do.” (Representative of the Russian nurses’ association)

“If the Swedes disappear now there will be a big empty space. In principle we are also working with the Finns but not on a regular basis. The Swedes have many good, independent experts, they always send out forms to participants. We have problems with evaluations but they work regularly with them. This is why I consider that our Swedish cooperation partners have been the best of all we have had from all around the world.” (Head of a county social administration)

The importance of preconditions

As stated above, reform cooperation with the Baltic States started up much more quickly than with Russia and could provide opportunities for a large number of Swedish actors to gain experience, which could facilitate an equivalent commitment in Russia. Consequently Baltic cooperation contributed to the preconditions for Russian cooperation.

On the other hand there were never the same uniquely positive preconditions for cooperation in Russia as there were in the Baltic. On the official Swedish side there was an ambition that what had been so successful in the Baltic would also be

able to be applied in Russia. The fact that these hopes were not fully realised appears logical and natural considering that the preconditions for cooperation with Russia were so different and in addition deteriorated further when the Russian social transformation shifted in another direction in which, for example, the desired movement closer to the EU never materialised. Even the Russian crisis of 1998 contributed to dampening the dynamic that had characterised Russian cooperation for the greater part of the 1990s. One illustration of how the preconditions for cooperation changed during the course of operations is the Swedish activities reported above concerning Russian public administration reform where the dismissal of the Deputy Minister responsible pulled the rug out from under project cooperation on the Russian side, after which cooperation was never allowed to achieve either the planned content or the desired impact.

At the same time it is part of the Russian cooperation's strength that these preconditions at local and regional level generally speaking have been, and remain, good. A large number of Russian partners demonstrated a clear, initial interest in Swedish contributions to their work and have also gained so much from their cooperation that they would have been very pleased to continue.

"In Russia it is almost impossible for anyone to act from the bottom upwards i.e. that ordinary people take an initiative. Our activities do start at the bottom and it is only thanks to my single-mindedness and our strong links to our Swedish partners that we have managed to survive and build up a totally new training programme for future officials."
(Director of the fight against narcotics in St Petersburg)

Another precondition for Russian cooperation has also been the above-mentioned Swedish party-political unanimity as concerns East Cooperation. This has been a great asset, as has been the fact that the state has been able to finance this extensive cooperation that has always been outside the one percent of GNP development aid funding goal. The fact that this cooperation was concluded early also broke the party political agreement concerning it.

Summarised conclusions

As described in this report, Sweden has provided extensive support to the reform process in Russia after the dissolution of the Soviet Union. In addition to funding of around SEK 4 billion from East Cooperation, an additional unknown number of millions have been mobilised from other sources aimed at supporting important reforms in an already well-developed Swedish neighbouring country. As far as Sweden is concerned, this has been a unique development cooperation programme over a concentrated period of time.

This broad cooperation has, which has also been demonstrated earlier, possessed both a high level of relevance for the transition of Russia and for the neighbouring country cooperation desired by the Swedish government and has produced good results. The degree of goal achievement has varied between cooperation sectors and between different activities within the same sector. The officials responsible on the Swedish side assess that Swedish support has generated good results within all areas, but that it has made a considerable difference in the social area, within the surveying and environmental sectors and through its journalist programme. For part of the period, cooperation has been awarded a more clearly-stated poverty alleviation emphasis; however successes have been noted in other areas.

If the cooperation overall has consequently achieved good results, these have not necessarily been disseminated in other directions. SI has initiated such dissemination via a conference for university presidents in St Petersburg. Sida has attempted to move certain cooperation experience up to federal level but more time and resources would have been necessary to achieve more consistent dissemination. However the fact remains that those on the Russian side who have been able to utilise Swedish cooperation properly have been able to make considerable progress within their fields. Both Sida's and SI's methods of working with reform support to Russia have involved a great number of people on both sides. In addition to the positive results of cooperation in different projects it also appears extremely positive that a large number of Russians and Swedes have learned to know each others' countries, have been involved, invested themselves in this cooperation and received a great deal back. Russia's previous isolation has been broken. Where there once was a very narrow contact network with Russia, East Development has managed to broaden this immensely. Not least SI's and Sida's working methods using partner cooperation has contributed to the blossoming of a thousand flowers.

However much of this cooperation is now at an end as the projects are closed down. The transition from aid-funded project cooperation to neighbouring country cooperation is more difficult to achieve with Russia than with the Baltic States, especially given the current cooler, less open climate between the countries. Via the Baltic Sea Unit in Visby the government supports the work of maintaining and developing partner cooperation across the Baltic Sea, including with Russia. In addition the government has allocated funding for continued neighbouring country cooperation with Russia in the environment and nuclear safety areas through the Ministry of the Environment and Sida. As mentioned above, there are several points of entry in the strengthened neighbouring coun-

try cooperation with Russia that could motivate further financing. In some places there is also a discussion underway about following up the now completed reform support.

Overall conclusions must include the fact that assessment perspectives shift over time. What is today regarded by many Swedes and Russians as an anomaly – that Sweden would finance different reform projects in a country like Russia which is considered by the rest of the world to be both rich and partially antagonistic – should also be assessed against the background of the situation prevailing during the 1990s when many people in Russia were suffering very badly. There was an ambitious will to reform and move closer to Europe in the country and a broad, strong will to look for and receive support from abroad for what was considered to be essential reform of the Russian society. None of these conditions apply any longer, consequently Swedish support has ended. But this does not exclude the fact that this major investment on behalf of Sweden has generated exceptionally interesting results which may also form the foundation of continued neighbouring country cooperation between these two countries.

Annex 1. Terms of Reference

1. BACKGROUND

Swedish support to the reform process in Russia was initiated at a limited level at the beginning of the 1990s and was primarily located in North West Russia. Over the next few years, cooperation expanded rapidly in terms of scope and geographical extent. At its highest point in 2006, cooperation volume amounted to approximately SEK 360 million.

Cooperation has primarily been aimed at the following areas: the development of democracy, economic transformation, social security, environment, joint security plus education and research. The majority of the support has been channelled via Sida with the exception of activities in the joint security area and certain environmental cooperation which have been administered by the Ministry for Foreign Affairs, nuclear safety cooperation via the Swedish Radiation Protection Institute/Swedish Nuclear Power Inspectorate (now one authority), plus cooperation within research, education and culture that has been the responsibility of the Swedish Institute.

In 2005, in the light of Russia's strong economic growth, the government took a decision to phase out support to Russia, a decision that has been confirmed and further accelerated by the present government. In the spring of 2007, a decision was taken to phase out development cooperation by 2010 and then transfer activities to regular, neighbouring state cooperation within the following areas; human rights, the environment and nuclear safety. These are all areas in which it is assessed that there is a Swedish interest in continued cooperation. In 2008, the majority of current projects will be concluded.

2. GOAL AND AIM

This report will be established with the aim of summarising and reporting the results of Swedish reform support to Russia and is intended to provide an overall picture of the scope and results of these cooperation activities.

3. TARGET GROUPS

The primary target group of this report is the Swedish Parliament (Riksdag) and the government. Other target groups include parties and stakeholders involved in development cooperation.

4. THE TASK

This report is to describe Swedish development cooperation with Russia between 1991 and 2008 and consist of the following elements:

- A general description of the political priorities, background and goals for cooperation with Russia, plus the development cooperation discussions concerning this cooperation.
- A presentation of the scope of the reform support, geographical areas involved and results.
- A summarised report of the sectors that cooperation was primarily aimed at, its goals, scope, implementation and results. The results analysis to be carried out in relationship to established goals and anticipated results, especially as they are described in the latest strategy paper.
- A more detailed report emphasising the results of cooperation in one or two sectors, preferably the environmental and social sectors.
- A brief discussion concerning Sweden's development cooperation in relationship to other donors,
- A general description of the phasing-out process plus the transfer to cooperation in other forms, with other types of financing,
- An analysis of how the goal of integrating a gender equality perspective into cooperation has influenced the programme as a whole.
- A summary of important lessons learned and general conclusions from these cooperation activities.

5. IMPLEMENTATION

The study is to be primarily based on existing material such as Sida's country strategies and country plans, government studies, annual reports from Sida, the Ministry for Foreign Affairs and SI, results analyses plus previous evaluations.

In certain cases a more detailed examination of one or more sectors will be carried out. Sectors to be selected by Sida. This more extensive type of examination may be carried out by following up results on site plus interviews with key personnel.

The final report is to encompass approximately 70–80 pages in the Swedish language and is to be illustrated. A summary of this report of approximately 10 pages is to be established and translated into Russian and English.

The working time required for implementation is estimated at maximum 18 working weeks. The work is to be carried out during the period March–October 2008. A draft report is to be submitted to Sida on 1 September and a final version, i.e. edited and in publishable form plus translations, is to be delivered to Sida by 15 October 2008 at the latest.

Activities are to begin with the establishment of an Inception Report which is to include proposed report layout and organisation as well as an implementation schedule for the study. It should also indicate any special problems that are anticipated and provide proposals for extended study areas. *The Inception Report to be submitted by 20 April at the latest and then discussed with, and approved by, Sida.*

6. CONSULTANTS' PROFILES

This task is to be implemented by a team of three consultants possessing complementary profiles.

Consultant A will bear primary responsibility for the compilation of the report and take up the role as team leader. Consultant A must possess well-documented knowledge on the region and on Sida's activities in Russia, plus extensive experience of evaluation work.

Consultant B should possess experience of evaluating and/or documenting projects. A merit for this assignment would be professional knowledge within the sectors chosen for extended study.

Consultant C must possess professional subject knowledge in one or more of the sectors in question plus experience of working in this region. Consultant C may be less experienced than the other two consultants.

At least one of the consultants must possess good knowledge of the Russian language. Consultant B or C may be based locally.

Annex 2 Disbursements to cooperation projects in Russia 1990–2007

Table 1: Total

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
SEK'	7 649	40 988	21 493	46 766	88 105	128 247	109 469	169 488	155 748	289 856	336 279	307 634	325 120	511 650	464 978	495 310	385 197	3 883 978	

Table 2: From Sida

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
SEK'	2 699	63 472	2 856	1 345	10 533	30 060	68 926	58 261	103 160	137 331	232 801	230 868	213 019	218 024	362 132	350 582	361 360	295 867	2 743 296

Table 3: From the Ministry for Foreign Affairs

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
SEK'	76 621	97 201	86 799	98 167	85 351	40 537	130 161	86 078	98 882	77 374	104 022	51 021	1 032 214

Table 4: From the Swedish Institute

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
SEK'	38 890	29 819	27 250	35 258	35 661	30 709	31 542	30 456	38 309	297 894

Annex 3. List of documents that may provide background information for this study

Result Analyses:

Utvecklingssamarbete med Ryssland 1999–2001

– en resultatredovisning,

April 2002

Samarbete med Ryssland – en resultatanalys,

March 1999, Krister Edwards & Susanne Oxenstierna

Evaluations:

96/08 Konvertering av rysk militärindustri

Maria Lindqvist, Göran Reitberger, Börje Svensson

Department for Central and Eastern Europe

96/38 Statistikproduktion i Nordvästra Ryssland

Lennart Grenstedt

Department for Central and Eastern Europe

97/06 Sida's Support to the Start East Programme

Cecilia Karlstedt, Sven Hilding, Piotr Gryko

Department for Central and Eastern Europe

97/18 AMS and AMU Technical Assistance Projects
in the Russian Federation 1994–1996

Susanne Oxenstierna, Gunnar Pihlgren

Department for Central and Eastern Europe

98/04 Den mänskliga faktorn

Samarbete mellan svenskt postväsende

och den regionala posten i St Petersburg

Lars Rylander

Department for Central and Eastern Europe

98/20 Cooperation with the Kaliningrad

International Business School

Jacub Swiecicki

Department for Central and Eastern Europe

98/23 Programme for Total Quality Management in Russia

Lars Rylander

Department for Central and Eastern Europe

98/24 Swedesurvey Projects in Russia and Ukraine

*Land registration system and land information
management*

Ivan Ford, Susan Nicols, Marc Doucette, Jaap Zevenbergen

Department for Central and Eastern Europe

98/36 The training of journalists in Central and
Eastern Europe

Tiina Meri & Börje Wallberg

Department for Central and Eastern Europe

- 99/25 Psychiatry Reform in Eastern Europe
Nils Öström
Department for Europe
- 00/12 Nordpraktik – New Managers for Russia
Lennart Peck, Björn Ternström
Department for Central and Eastern Europe
- 01/01 Rural Development and Democratisation
in Russia and Estonia
Paul Dixelius, Camilla Gramner, Dan Hjalmarsson
Department for Central and Eastern Europe
- 01/02 Project for Development of Social Work
in St Petersburg 1998–2000
Nils Öström, Dmitri Gavra
Department for Central and Eastern Europe
- 01/09 Active Labour Market Policy in Russia?
An Evaluation of Swedish Technical Assistance
to the Russian Employment Services 1997–2000
Henrik Huitfeldt
Department for Central and Eastern Europe
- 01/13 Strengthening Local Democracy
in North West Russia 1995–2000
Ilari Karppe, Liisa Lähteenmäki-Smith
Department for Central and Eastern Europe
- 02/30 Sexual and Reproductive Health of Youth in North
Western Russia: an Evaluation of the Project
Ivonne Camaroni
Department for Central and Eastern Europe
- 03/02 Swedish Bilateral Assistance in the Field of
Migration and Asylum in Central and
Eastern Europe 1996–2002
Kjell Åke Nordquist & Martin Schmidt
Department for Central and Eastern Europe
- 03/05 Support for Private Sector Development
Summary and Synthesis of Three Sida Evaluations
Sida Studies in Evaluation
- 04/02 Private Sector Development Support in Action
Sida's Approach, Working Methods and Portfolio in
ussia and Ukraine
Carl Fredriksson, Jan Hjalmarsson, Per Dixelius
- 04/15 Swedish Nuclear Non-Proliferation Assistance
Programme in Russia and Latvia
Thomas Jonter
Department for Europe
- 04/17 Social and Health Sector Projects in Russia
Thomas Bjørnkilde, Alexandra Wynn
Department for Europe

- 04/19 DemoÖst-programmet
– Svenska demonstrationsanläggningar
i Östersjöregionen inom energi- och miljöteknik
Mikael Kullman, Jenny Andersson, Torbjörn Ramberg
Department for Infrastructure and
Economic Cooperation
- 05/08 District Heating Projects in Latvia and Russia
Anders Grettve, Tord Holmström, Christofer Hök,
Karl-Erik Ramström
Department for Infrastructure and Economic Cooperation
- 05/09 Gender Projects in Estonia, Kazakhstan,
Kyrgyz Republic, Russia and Ukraine
Projects implemented by Språngbrädan
Tomas Bjørnkilde, Karin Attström, Alexandra Wynn
Department for Europe
- 05/11 Political Parties and Democracy Assistance
An overview of the support provided by Swedish
organisations associated with political parties for
democracy development in developing countries and
countries in Central and Eastern Europe
Magnus Öhman, Shirin Ahlbäck Öberg, Barry Holmström,
Helena Wockelberg, Viktoria Åberg
Department for Democracy and Social Development
- 05/15 Swedish EPA's Cooperation with Environmental
Authorities in North West Russia and Transboundary
Water Issues, 1999–2004
Lars Rylander & Johan Willert
Department for Infrastructure and Economic Cooperation
- 06/15 Sida's StartEast and StartSouth Programmes
Bo Andersson, Niklas Angestav, Helena La Corte,
Anders Grettve
Department for Infrastructure and Economic Cooperation

Other

- “Att söka säkerhet i samarbete – det säkerhetsfrämjande stöd
till Central- and Östeuropa – en utvärdering av verk-
samheten 1995–1998.”
Ragnar Ångeby, Krister Eduards, DS 1998:30
- “Looking back, moving forward – Sida evaluation manual”
“*Glossary of key terms in evaluation and results-based
management*”.

LESSONS LEARNED FROM DEVELOPMENT COOPERATION WITH RUSSIA

Swedish Support to the Reform Process in Russia 1991–2008

Main Report

Swedish support to the reform process in Russia was initiated at a limited level at the beginning of the 1990s and was primarily located in North West Russia. Over the next few years, cooperation expanded rapidly in terms of scope and geographical extent. At its highest point in 2006, cooperation volume amounted to approximately SEK 360 million.

In 2005, in the light of Russia's strong economic growth, the government took a decision to phase out support to Russia. In 2007 it was decided to phase out development cooperation by 2009 and transfer activities to regular, neighbouring state cooperation within the following areas; human rights, the environment and nuclear safety.

The purpose of this report is to summarise and report the results of Swedish reform support to Russia and is intended to provide an overall picture of the scope and results of these cooperation activities during the period 1991–2008.

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