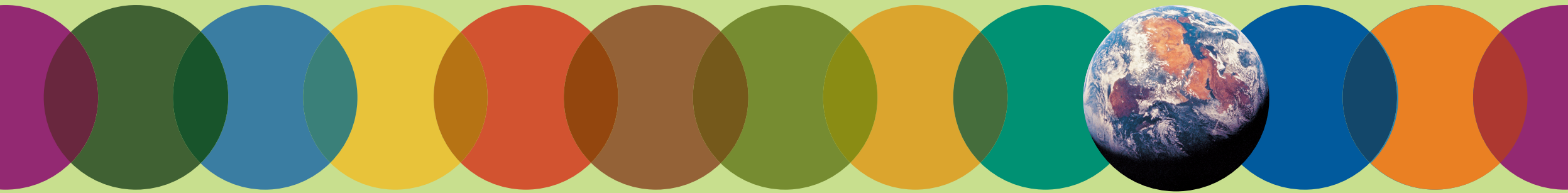


Government Communication 2005/06:204

Sweden's Global Development Policy



Government Communication

2005/06:204

Sweden's policy for global development

Communication
2005/06:204

For submission to the Parliament.

Stockholm, 18 May 2006

Bosse Ringholm

Carin Jämtin
(Ministry for Foreign Affairs)

Main contents of the Communication

The Communication reports the work of implementing Sweden's policy for global development. Special emphasis is placed on the areas identified in Communication 2004/05:161 as particularly important because of their major global impact and good potential to achieve concrete results: these are environmental policy, international trade policy, agricultural policy, migration policy and security policy.

By way of introduction, the Communication presents Sweden's policy for global development and its fundamental perspectives – the rights perspective and the perspective of poor people on development. The role of development cooperation in the global development policy is discussed, as is the global agenda to which Sweden's work towards equitable and sustainable global development partly relates and partly seeks to influence, and the EU's work to achieve coherence in development policy.

The second section of the Communication discusses the prioritised areas in depth and provides examples of how policy is pursued in line with the overall policy for global development.

The third section of the policy describes steps taken and the results of the work towards achievable objectives within the broad terms of the policy, intended to strengthen the Swedish contribution to equitable and sustainable global development.

The final section of the Communication identifies areas on which the Government's work should focus in the next year. The section identifies areas where there is a need to improve knowledge, as well as priorities in areas that are key to the implementation of the policy.

1	Sweden's policy for global development	3
1.1	The rights perspective and the perspectives of poor people on development.....	3
1.2	Development cooperation in the policy for global development.....	6
1.3	The global agenda	7
1.4	An EU agenda for equitable and sustainable global development.....	9
2	A coherent policy for global development	9
2.1	Environment and development	11
2.2	Agriculture, trade and development.....	14
2.2.1	Trade in agricultural products.....	15
2.2.2	Trade and agricultural policy for global health.....	19
2.3	Migration and development	21
2.4	Security and development.....	24
3	Central elements of the policy – objectives, instruments and results..	29
3.1	Fundamental values	30
3.1.1	Respect for human rights	30
3.1.2	Democracy and good governance.....	33
3.1.3	Gender equality.....	36
3.2	Sustainable development	37
3.2.1	Sustainable use of natural resources and protection of the environment.....	37
3.2.2	Economic growth.....	46
3.2.3	Social development and social security	57
3.3	Conflict management and security.....	63
3.4	Global challenges and global public goods	71
4	The direction of future work.....	73
4.1	In-depth analysis	74
4.2	Priorities in policy.....	75
	Key to abbreviations	79
	Extract from the minutes of the Cabinet Meeting, 18 May 2006.....	81

Sweden's policy for global development, adopted by the Riksdag (Parliament) in December 2003, was drawn up in the awareness that many policy areas, including those that have not traditionally focused on development issues, have repercussions for global development and the conditions of poor people in the developing countries (Government Bill 2002/03:122, Committee Report 2003/04:UU3, Parliamentary communication 2003/04:112). The overall objective – which applies to all policy areas – is that of contributing to equitable and sustainable global development, and the policy is to be characterised by two perspectives: a rights perspective and the perspectives of poor people on development. To make the fight against poverty more effective, greater coherence is necessary between different policy areas and actors, including the European Union (EU), United Nations (UN) the international financial institutions, other multilateral institutions and individual countries.

The policy is targeted at poor people in developing and transition countries and embraces all policy decisions that directly or indirectly affect them.

The central component elements of the policy have been grouped under the following headings:

- a) Fundamental values: respect for human rights, democracy and good governance, and gender equality.
- b) Sustainable development: sustainable use of natural resources and protection of the environment, economic growth and social development and security.
- c) Conflict management and security.
- d) Global public goods and global challenges: transboundary issues requiring joint decisions and action on the part of the international community.

1.1 The rights perspective and the perspectives of poor people on development

The global development policy is informed by two perspectives – the rights perspective and the perspective of the poor on development. These two perspectives are fundamental. They complement and support each other, and partially overlap. They combine to create an approach to the work of contributing to equitable and sustainable global development in every policy area. The individual is in focus as the bearer of rights, able to create development using his or her own energy, will and ability.

The rights perspective has its point of departure in human rights and on an emphasis on democracy as the platform for development. It stresses respect for all human rights, including the rights of the child, democracy and gender equality. Human rights, as expressed in UN conventions in the field, build on the fundamental principles of universal equality and non-discrimination. The individual is the bearer of rights and the government is responsible for respecting those rights and securing them

in practice through a functioning judicial system, legislation, education, social support, etc. This also creates opportunities for the individual to contribute to development through his or her own will, energy and ability. Discrimination is often a root cause of marginalisation and poverty, and thereby hampers the achievement of the goal of equitable and sustainable development. One example is the discrimination of women, which can both cause poverty and prevent people from escaping poverty.

The *perspective of poor people on development* means that the circumstances, needs, conditions and priorities of poor women, men and children must guide and inform the fight against poverty and the promotion of equitable and sustainable development. This is a deeper perspective on the globally agreed goal of reducing poverty in the world. In this perspective, poor people are subjects and actors – not objects or passive recipients of interventions. Poverty is multidimensional, situation-specific and dynamic, and is basically about lack of freedom – lack of security, resources, opportunities and power. The poor do not constitute a uniform category. A consistent feature however is that they seldom emphasise the economic dimension of poverty without also stressing shortcomings in other respects – poor health, lack of security, inability to meet social or cultural obligations, inability to influence political decisions, or disparaging treatment by authorities and institutions. Experiences of poverty, and chances of escaping poverty, are strongly influenced by factors such as sex, age, ethnic or other cultural origin, disability or where and how people live and how they try to earn their living.

Applying the perspectives

When measures that have repercussions for global development are being planned in various policy areas, the question should be asked as how the measures have been informed by, or can be expected to promote, the two perspectives. The goal is that the policy itself, and its practical application in all areas, are to help strengthen the rights of poor people and improve their living conditions. They are also to utilise the experiences and priorities of the poor individual or group by promoting their participation in important processes and decisions in the community.

If the two perspectives are to have impact, we need information, knowledge and analysis. The perspectives are not infrequently regarded as abstract. A good deal of work remains to be done before they have been consistently and systematically absorbed into the actual design and application of policy in different fields.

Application of both the rights perspective and the perspective of the poor on development is a great challenge. For example, it is not always clear how the interests and experiences of poor and marginalised individuals are best taken into account and integrated into Swedish policy. There is a not infrequent assumption that anything that is good for a poor nation will automatically benefit its poor and vulnerable populations. This is not always the case, and in the worst case scenario,

national growth can take place at the expense of the poor and marginalised women's, men's and groups' chances of improving their situation. It should also be noted that poor people often suffer particularly in times of readjustment and unanticipated negative events, because their margins are extremely small. Decisions which can be expected to lead to long-term improvement of their circumstances and opportunities can therefore have devastating consequences in the short term.

The two perspectives assume an initiated and active dialogue with representatives of governments and public agencies in developing countries, as well as with representatives regarded as legitimate by the poor and marginalised groups themselves. Sweden's active participation in the dialogue assumes in turn a thorough knowledge of development and experience of working in developing or transition countries.

The central elements of the rights perspective, such as human rights with the principle of universal equality and non-discrimination, democracy, gender equality, the rights of the child, the rights of the disabled, etc., have long been cornerstones of Swedish policy. Knowledge of these issues is relatively widespread, so the rights perspective has so far gained more currency in global development briefing material than that of the perspective of poor people on development. A good deal remains to be done however when it comes to securing participation in decision-making, information gathering and demanding accountability.

Neither the rights perspective nor the perspective of the poor on development are in themselves an answer to the question of what methods or approaches are the most suitable or effective for promoting equitable and sustainable global development in a given situation. The perspectives provide guidance in how to ask relevant questions. The questions, and the answers to them, can in their turn spur further reflection or deeper analysis that should influence policy design, in individual policy areas as well as when several policy areas combine to create synergy effects.

The work of promoting the impact of these two perspectives in the implementation of the policy for global development focuses on the development of analysis, methods and tools.

Guidance questions have been produced with the aim of supporting policy areas in their work of integrating the perspectives into the activity.

Examples of questions on the rights perspective:

- Does the decision promote or reduce respect for human rights in the long, medium and short term? Does this also apply to individual human rights and for those of specific groups (e.g. women, girls, marginalised ethnic or religious groups, indigenous populations or people with disabilities)?
- What opportunities do individuals or groups have to influence decision-making processes? How do they obtain relevant information?
- Is there institutional national capacity to work with a rights perspective?
- Does the decision improve the chances that human rights will be respected in other countries?

Examples of questions on the perspective of poor people on development:

- What do we know about the needs, interests and situations of poor women, men, girls and boys in relation to the question or decision at hand? Is the information available sufficient for a basis for a decision?
- How does the decision affect poor women, men and children who live in urban or rural areas, active in the formal or informal sectors, etc., in the long and short term, and what are these effects?
- Have we good grounds for assuming that the decision that we think is beneficial for a poor country will improve the lives of poor individuals and groups in the country in question?

An information and training plan has been produced with the aim of developing a joint platform and awareness of the two perspectives, and a joint approach as a basis for implementing the policy for global development. The training is to stimulate work in different policy areas to identify which forums, channels and tools will promote the impact of the perspectives. To begin with, the focus is on areas identified in the 2005 progress report (Government Communication 2004/05:161) as special priorities (environmental, trade, agricultural, migration and security policy).

In house-training such as the training programme for new employees, the Government Offices' trainee programme and the diplomatic programme at the Foreign Ministry, management training within the Government Offices, training for those going to work at foreign missions to promote Swedish growth, and Embassy training courses on the policy for global development also provides an important opportunity to strengthen and extend the Government Offices' knowledge of the rights perspective and the perspective of the poor on development.

1.2 Development cooperation in the policy for global development

The policy for global development embraces all policy areas, including development cooperation, which must relate to the policy for global development in the same way as other areas. The rights perspective and the perspectives of the poor on global development are to be taken into account prior to a decision, and the policy area, like other policy areas, must try to achieve synergy effects with developments in other areas to maximise the Swedish contribution to equitable and sustainable global development.

One challenge for development cooperation is to contribute to the optimisation of development effects in Swedish policy overall, within the framework of its own objectives and principles. This is ensured by effective control of development assistance on the basis of the requirements that development assistance is to be long-term in nature, harmonise with that of other donors, and be adapted to the needs and priorities of partner countries.

Over the past year, the Government has taken initiatives in a number of areas to boost the development impact of the overall policy via

development cooperation. One such area is the special emphasis on the environment in development assistance. This is intended to boost the Swedish contribution to equitable and sustainable global development through cooperation with the environmental policy area and the promotion of the Swedish resource base. Another such area is trade-related development assistance, an area in which Sweden has assumed a leading role in the work to boost the effectiveness and breadth of capacity-building support, primarily to the least developed countries. A further example concerns the Government's work in the field of Sexual and Reproductive Health and Rights (SRHR), where support to in-depth dialogue with actors such as UNFPA, UNICEF, UNIFEM and UNAIDS has been combined with the Government's adoption of a new policy document for Sweden's international work on these issues. These, and other measures, will be included in the report attached to the Government's Budget Bill in autumn 2006.

1.3 The global agenda

2005 was a year in which global justice and the fight against poverty were clear elements of the global agenda. The world's governments gathered in the UN, the international financial institutions, the World Trade Organisation (WTO) and the Organisation for Economic Cooperation and Development (OECD) to discuss how to step up their work to reduce poverty, and a number of political undertakings were made about greater cooperation, extended debt relief and fairer trade.

In September 2005, the UN held a summit which was co-chaired by Swedish Prime Minister Göran Persson and President of Gabon, Mr Omar Bongo. The summit confirmed the Millennium Development Goals from the year 2000, which thus continue to form the basis of international development work. It was decided that the UN system is to be strengthened at country level to provide the UN with a clear role in global monitoring of the Millennium Development Goals, and that international agreements on development assistance effectiveness are to be implemented to improve the developing countries' ownership and the quality of development assistance provided. The ability of the international community to prevent genocide and gross violations of human rights was strengthened by a decision on the concept of the "Responsibility to Protect". This was a key issue for Sweden. Decisions were made to create a Peacebuilding Commission and a Human Rights Council. There was also a strengthening of the link between the Cairo objective of universal access to reproductive health and the achievement of a number of the Millennium Development Goals. The conclusions of the 2002 Monterrey conference on financing for development, and the Johannesburg summit of the same year on sustainable development, were also confirmed.

In his pre-summit report *In Larger Freedom*, the UN Secretary General stressed that development, peace and security and respect for human rights, are intimately interlinked and that they combine to form the basis of a life of dignity. The pre-summit process saw a number of important decisions, including on raised levels of development assistance, debt

relief and innovative forms of financing for development. The process also defined three development issues – poverty, HIV/AIDS and other infectious diseases, and environmental destruction – as some of the most serious threats facing mankind today. All areas are important aspects of Sweden's policy for global development, which redefines poverty in multidimensional terms and thus makes the link between vulnerable individuals and groups and poor health and environmental destruction.

The UN Commission on Sustainable Development (CSD) is the key organ for follow-up of the Johannesburg commitments. The Commission's 13th session, held in 2005, focused on water, sanitation and human settlements. The main subject discussed was the importance of achieving environmental sustainability as a platform for the achievement of the other Millennium Development Goals. Other key issues for Sweden that were the subject of fruitful discussions were gender equality, inheritance and ownership rights for women, sustainable consumption and production, including the Marrakech process (a ten-year framework for programmes for sustainable consumption and production as a follow-up in the area of the commitments of the Johannesburg summit), and education for sustainable development.

At the G8 summit at Gleneagles in July 2005, where development and climate issues were at the top of the agenda, the G8 countries agreed to a proposal on debt relief for many of the world's poorest and most highly indebted countries. The proposal covers debts owed by heavily indebted poor countries (HIPC) to the International Monetary Fund (IMF), the World Bank (IDA) and the African Development Fund, and for these countries means that their debts to these institutions are written off. The proposal was discussed in the three institutions during the autumn, and their boards have decided to write off the debts. The G8 leaders also agreed to support the struggle for democracy and against corruption in Africa.

International trade is an important tool for economic growth and poverty reduction as well as for helping developing countries attract investment and make local markets more efficient. The ongoing WTO negotiations, which are taking place within the framework of the Doha Development Agenda begun in 2001, are therefore crucial in the work to achieve equitable and sustainable global development.

By postponing the most contentious issues for decision at a later date, agreement could be reached at the WTO Ministerial Conference in Hong Kong in December 2005. The agreement included a final date – 2013 – for the heavily criticised agricultural export subsidies, tariff-free and quota-free market access for the Least Developed Countries (LDC) and measures to strengthen trade-related development assistance. Although the results were modest, these are key issues in efforts to achieve development-oriented free trade. The objective is that the Doha round is to be concluded in 2006. This timetable however assumes fast and significant progress in all areas of negotiation.

The theme of the OECD's annual Ministerial Council Meeting in 2005, led by Sweden, was "enabling globalisation". The meeting brought together the finance, trade, industry and energy ministers of the 30 OECD countries and ministers from a number of developing countries. Under the chairmanship of Swedish Prime Minister Göran Persson,

ministers debated how to promote a globalisation process that benefits everyone, in cooperation with the developing countries. It was agreed that the challenge for the global community is to allow all countries to reap the rewards of globalisation. A special session on the Millennium and Monterrey declarations concerned the OECD's contribution to their implementation and follow-up.

1.4 An EU agenda for equitable and sustainable global development

In May 2005, the EU Council of Ministers decided to step up the level of ambition in its work to achieve greater policy coherence for development. One aspect of the decision is that the Commission in the future will provide member states with ongoing reports on the coherence work. The development policy adopted by the Council of Ministers in December 2005 takes the greater level of ambition in the area of policy coherence as one of its points of departure.

Since the decision in May, Sweden has taken an active part in the work of producing a draft operational programme for the EU's coherence work which defines priorities as well as roles and allocation of responsibility between the Commission, the Council and the member states. The idea is that this will be updated on an ongoing basis to take into account internal EU priorities as well as external events on the global development agenda. Sweden will continue to press to ensure that concrete priorities are expressed.

In the long term, the EU has the potential to assume global leadership in policy coherence in global development work. Current treaties already contain clear references to the need of policy coherence that has the interests of the developing countries in mind. Last year's decision in the field of coherence, and the work on an operational programme with clear priorities, roles and methods, further improve the chances that coherence ambitions will be converted into action.

2 A coherent policy for global development

The policies pursued within the main themes of the policy for global development – respect for human rights, democracy and good governance, gender equality, sustainable use of natural resources and protection of the environment, economic growth, social development and security, conflict management and security, and global challenges/global public goods – all strengthen and reinforce each other. For example: without environmental considerations, without economic growth coupled to equitable distribution and without social development there is a greater risk of conflict. Conflicts make it harder to realise fundamental values such as human rights and gender equality. Without focus on the individual and his/her rights and perspective on development, the policy's objective of contributing to equitable and sustainable global development will not be achievable.

It is important to note that the objective of the policy for global development does not replace the objectives formulated in other policy areas. The assignment in each policy area is to work to fulfil the policy objectives of that particular policy area. What the policy for global development does is give all policy areas the assignment of formulating and implementing policy in a way that utilises every opportunity of *simultaneously* contributing to equitable and sustainable global development.

If measures designed to fulfil the objectives of a policy area risk counteracting Swedish efforts to achieve equitable and sustainable global development, it is the responsibility of the policy area in question to look for alternative measures and find an acceptable solution within the framework of its usual policy preparation work. One example is the Swedish implementation of the EU's 2004 agricultural reform, where Sweden's overall objective was that all support to agriculture would have the smallest possible effect on production and trade and thereby on the economies of the developing countries. However, in weighing in national objectives such as employment and environmental quality objectives, Sweden chose to temporarily retain production-promoting support to beef farms.

There is a greater risk of conflicts of interest in certain areas; this makes policy formation more challenging, if it is to avoid the risk of colliding with the overall objective of equitable and sustainable global development. For example, this might involve on the one hand giving developing countries access to EU markets, and on the other hand the quality and safety standards of Swedish consumers. Another topical example is the conflict between the need for patents to protect and promote innovations, and the need to protect the right of poor countries to import cheap generic copies of patented drugs to protect public health. This conflict was resolved when members of the WTO agreed to make use of the flexibility of the intellectual property agreement. The challenge is to find ways of removing potential or actual conflicts so that policy can be pursued in different areas without reformulation of objectives, while it at the same time supports equitable and sustainable global development.

The first few years of work to implement the policy for global development have revealed that the great challenge of the policy does not lie in resolving conflicts of interest or objectives between different policy areas; it lies instead mainly in identifying and realising potential synergy effects, where measures can be designed to contribute to the realisation of the objectives of the policy area *and* to equitable and sustainable global development. This work requires thorough knowledge of development issues and of the rights perspective and the perspective of the poor on development, which means that the work of implementing the policy is very much about promoting this knowledge.

The Committee on Foreign Affairs' report on the progress reports 2004/05:4 and 2004/05:161 pointed to the need of a description of how the Government deals with conflicts between policy objectives (Committee Report 2005/06:UU5). This section describes the work to strengthen coherence within the framework of Sweden's policy for global development. Efforts to find synergies and resolve conflicts of

interest are illustrated by examples of measures and policy pursued in the fields of environment, agriculture, trade, migration and security – areas which in Communication 2004/05:161 are identified as being particularly important in the work to achieve equitable and sustainable global development.

The aim is to describe how policy areas, within the framework of their own objectives, link to the policy for global development and to the rights perspective and the perspectives of poor people on development. The examples illustrate how the global impact of Swedish policy is improved by collaboration between policy areas.

2.1 Environment and development

Environmental destruction poses an increasing challenge to many developing countries, not least to their poor inhabitants. The links between the environment, poverty and development are extremely complex, not least because of the great reach of environmental issues. Growth based on outdated technology risks taking place at the expense of the environment, bringing with it a risk of health problems. This applies not least to children, who risk exposure to hazardous substances before they are born and whose subsequent development can be greatly hampered by such exposure. When the poor themselves express what it means to be poor, issues of safety, vulnerability to environmental destruction and lack of access to clean water generally top the list. The policy for global development (Government Bill 2003/04:122) stipulates that in environmental policy, Sweden should work to limit climate change, phase out toxic chemicals and secure biological diversity. For the period since the previous progress report, the Government wishes to particularly highlight the climate and energy issue, the work to achieve a global chemicals strategy, and environmental engineering with a special focus on sustainable urban planning.

Climate and energy policy

Traditional use of fossil fuels leads to high emissions of greenhouse gases, which according to most climate scientists are an important underlying cause of current climate change. The poorest countries and their poorest inhabitants are hardest hit by the effects of climate change. A key factor in reducing climate change is a heavy reduction in the use of fossil fuels. By diversifying energy use, and using sustainable and cost-effective renewable energy sources, poor countries will also be able to reduce their vulnerability to high and strongly fluctuating oil prices.

The UN Convention on Climate Change (UNCCC) and the Kyoto Protocol contain “Flexible mechanisms” to enable cooperation and cost-effective reduction of emissions, and also to make it easier for countries to agree to bigger commitments than would otherwise have been possible. The “Clean Development Mechanism” (CDM) was created as part of the work of assisting developing countries in the implementation of the UNCCC. The CDM covers specific projects to reduce greenhouse

gas emissions through investment in e.g. energy efficiency measures or renewable energy. These investments must also contribute to sustainable development in the host country, and may not replace development cooperation. Apart from reducing emissions, the project-based mechanisms aid technology transfer and capacity building, and can be expected to help facilitate modernisation and greater efficiency in industry and the energy sector in the host countries.

Example: Sweden and the Clean Development Mechanism

Sweden has project-based mechanism (CDM) projects in Brazil and India. Sweden's involvement in Tamil Nadu, a southern Indian state, involves building biomass-based electricity production. The goal of the project is to utilise the undeveloped biomass resource to produce sustainable electricity in a region where electricity production is currently 75% coal-based. The project is also designed to aid development in the region, which has few natural resources and a low degree of development.

The plant is in an area of Tamil Nadu where there is a large surplus of waste material from forest cutting for wood charcoal manufacture. Agricultural crop remnants can also be used, which raises the incomes of the 70 per cent of the population currently living off the land. The project is also creating new job opportunities, and is expected to lead to more industries establishing themselves in the area, partly due to improvements in local infrastructure.

Chemicals

Chemical pollutants are transported over borders through the air and water, and increasing global trade has contributed to the diffuse spread of chemicals. This is something that presents obstacles to sustainable development everywhere. The problems however are more widespread in the developing countries and the social consequences clearer, above all for those living in poverty.

Example: The chemicals strategy

At the UN Sustainable Development Summit in Johannesburg in 2002, the global community agreed on the objective of halting the use and production of chemicals that have a negative impact on health and the environment no later than 2020. Furthermore, a global chemicals strategy – the Strategic Approach to International Chemicals Management (SAICM,) would be in place no later than 2005.

After three years of negotiations, the global chemicals strategy was adopted in February 2006 by the ministers at the International Conference on Chemicals Management. Sweden has played, and continues to play, a prominent role in international chemicals work. This work has contributed to broad backing in the EU for a constructive approach to negotiations, which in turn helped bring the negotiations to a successful conclusion. Sweden chaired the preparatory negotiation committee and the Swedish

environmental ambassador was responsible for the final negotiations at the ministerial Conference on Chemicals Management.

The global chemicals strategy means that the global community has for the first time taken a coherent approach to reducing chemicals-related health risks and environmental damage in a lifecycle perspective. The chemicals strategy provides a basis for countries to improve their national controls, while also providing funds to boost the capacity to implement international undertakings.

However, coherence between a number of policy areas at international level is also necessary if the global chemicals strategy is to have full effect. Sweden is working to ensure that international organs such as the UN Environmental Programme (UNEP), the World Health Organisation (WHO), the UN Food and Agricultural Organisation (FAO), the International Labour Organisation (ILO), the UN Development Programme (UNDP) and the World Bank will confirm the chemicals strategy so that the work can begin to be implemented. This work includes helping developing countries build capacity for safe chemicals management in the health, environmental and work environment sectors.

Environmental engineering

As the economy modernises, people move from employment in traditional rural agriculture into towns and cities which offer greater opportunities for paid work. However, fast-growing urban areas without planned water, sanitation, energy and traffic infrastructures have made urban environmental problems an increasing problem and a challenge in the fight against poverty. There are very few options open to the urban poor. Shortcomings in the environmental infrastructure primarily impact on poor women, men and children, exacerbate the effects of poverty and curtail poor people's chances of being able to affect their own lives. At the same time, leaving the city is not a realistic option for most. Ties to family and relatives who remained in rural areas are often weak and may even have been severed entirely. There are limited opportunities for self-support as a small farmer, and the income often does not cover necessary living expenses such as nutritious food, clothing and schooling.

Shortcomings in infrastructure in combination with inadequate environmental management also presents obstacles to new businesses and to investments from both domestic and foreign companies which are dependent on transport, waste disposal systems, water supply etc. Lack of investment leads to higher unemployment and lower growth, which primarily impacts on poor families and individuals, not least adolescents and young adults.

Cooperation between countries in technology development and technology use creates opportunities for low-income countries to avoid an often long development process using poorer technology by using the best and most environmentally-friendly technology from the start.

Adapted environmental engineering can improve access to clean water and food as well as providing more efficient waste management. This in turn can contribute to a more equitable distribution of resources and to

ecologically, economically and socially improved living conditions for the world's poor. Skr. 2005/06:204

The work of improving infrastructural environmental solutions in metropolitan areas is, then, an important contribution to the work of equitable and sustainable global development from the perspective of poor people on development.

Example: Environmental engineering and sustainable cities

Sweden discovered early on what environmental problems can be generated by chemicals, waste and industrial activity. This has meant that Swedish companies have been at the forefront of developments in technology for e.g. air and water purification, material recycling and waste management, as well as sustainable building and sustainable transports. Supply of system solutions is another Swedish strength. The work of developing and applying environmentally-adapted and resource-efficient technology has been going on for a long time in Sweden and Sweden is today regarded as one of the most advanced countries in the world in the field of environmental engineering.

Development of the "Sustainable City" concept manifests collaboration between environmental policy, the work of promoting the market potential of Swedish companies in other countries' markets and development cooperation. The sustainable city concept is underpinned by coherent thinking in modern urban development, from the perspectives of the human being, technology and economics. It involves environmentally-friendly solutions for e.g. water and sewage, transports, energy and waste management – sectors in which Swedish technology leads the world. While presenting possible solutions to the growing problems that follow in the wake of urbanisation, the concept also functions as a profile-raising marketing concept for innovative Swedish solutions for sustainable cities.

The Sustainable City, with sustainable urban planning based on environmental engineering, is currently being tested in two pilot cities in Inner Mongolia in a cooperation project between Sweden and China. There has been great interest in this project in China, Sweden and other countries, and a number of other cities are expected to look more closely at the solutions presented there.

2.2 Agriculture, trade and development

Agriculture and fishing are important sources of income for a majority of the world's poor, and a valuable export market for many developing countries. International trade impacts on the development opportunities open to poor people.

The policy for global development states that Sweden is to work for and develop open, robust, fair and legitimate framework conditions for international trade, and should work to achieve open global trade in agricultural and fishery products. This means, among other things, that trade-distorting and environmentally destructive subsidies and export subsidies should be dismantled. It further states that health promotion is crucial in combating poverty, and that rich countries are to support the

struggle of poor countries against poor health and ensure that poor people have access to drugs at reasonable cost. The fight against poor health takes place on two fronts, through trade policy and agricultural policy.

If open global trade in agricultural and fishery products is truly to lead to poverty-reducing development, the developing countries have to be able to exploit the potential offered by international trade. This requires open and legitimate international bodies of regulation, institutional capacity at national level and political priorities and scope to pursue national policy that has trade as a growth-creating and poverty-reducing engine.

The issue of domestic scope for political manoeuvre can stand in conflict with the work to achieve globally agreed rules for international trade. To resolve this conflict for the developing countries, the current WTO trade negotiation round is discussing a coherent approach to special regulations designed to create some flexibility in implementing agreements, primarily for the least developed countries. One concrete example is the ability of governments in developing countries to provide their populations with drugs in times of acute health problems in which poor purchasing power rules out the purchase of patented drugs.

Below are a number of examples of fields in which Sweden has worked for equitable and sustainable global development in the field of agricultural and trade policy during the period since the previous progress report.

2.2.1 Trade in agricultural products

A majority of the world's poor, not least women, are dependent for their survival on agricultural produce. Even if a poor small farmer generally does not export his or her production, its yield, even when sold in local markets, is dependent on prices on the world market. After a long trend of downward-spiralling world market prices, partly due to the subsidies of the industrialised countries, global demand for foodstuffs is now climbing, as are prices. Population growth and greater purchasing power in countries with large trade surpluses, such as China, mean that more people can buy their own food and that they are choosing more animal products in their food. The climbing demand for animal products also means greater demand for feedstuffs, above all cereals. At the same time, agricultural productivity is rising in most countries. We can therefore expect to see an increase in trade in agricultural products in the future.

Higher world market prices stimulate investment in agriculture, for example in the more efficient use of additives such as fertilisers, plant protection and water, and in more high-yield crops and animals, thus contributing to greater productivity. Greater yields for farmers and fishermen can also be expected to boost access to domestically-produced foods in many countries. This "green revolution" is expected to provide environmental benefits, but it also brings risks. Net importers of agricultural products will be losers in the short term. A growing urban population wants low food prices, and smallholders may find it increasingly difficult to provide for themselves, as well as difficulty in financing restructuring when the productivity gap grows between big and

small producers. Nevertheless, agriculture supports a large proportion of the population in many of the world's poorest countries, and has the ability to develop into a strong competitive advantage in globalisation. Combating poverty and creating sustainable development in these countries requires positive development of local agriculture, and in the long term we can assume that productivity improvements and climbing agricultural income will benefit these countries and their poor populations as a whole.

Export subsidies

Export subsidies are primarily provided by industrialised countries. These are a highly trade-distorting type of support which causes great damage, above all to exporters in developing countries. The subsidies create incentives for farmers in the industrialised countries to produce in excess of demand and sell the surplus cheaply on the markets of developing countries. This distorts competition, creates disorder on local markets and knocks out local agricultural production in the developing countries. Export subsidies have contributed to artificially low world market prices, which has meant that producers who have better natural conditions and can produce more cost-effectively are shut out or lose market shares in their local markets as well as on the global market.

Example: Swedish policy against export subsidies

Sweden has worked to abolish export subsidies ever since its entry into the EU. Sweden was initially more or less alone in the EU in pushing this issue. Strategic and long-term action has however brought other countries on board. In July 2004, the EU for the first time accepted in the WTO that export subsidies would be eliminated by 2013.

At the most recent WTO Ministerial Conference in Hong Kong in December 2005, Sweden's actions were very important in getting the EU to accept a final date at all. Sweden took advantage of strong external pressure on the EU and succeeded in winning over a majority of the EU countries, making agreement possible. Particularly successful was Sweden's strategy of seeking support from the EU's new member states, whose exports had not had time to become dependent on export subsidies. Because the EU is by far the biggest user of export subsidies, the EU's actions were crucial, not just for reaching a final date for export subsidies but for obtaining agreement in Hong Kong.

The work within the EU of reforming agricultural policy and making it more consistent with other policy areas, particularly development policy, is slow and often extremely politically sensitive. The decision in Hong Kong to eliminate export subsidies no later than 2013 is an important step along the right path.

Price regulation means that the price paid to sugar producers in the EU is about three times the global market price. The Sugar Protocol allocates limited quotas to some ACP (African, Caribbean and Pacific) countries, within which they can sell sugar to the EU on the same terms as producers in the EU.

Customs tariffs and limited trade agreements combined with sugar regulation in the EU shut out export from many countries and producers around the world that are actually competitive. The Sugar Protocol which allows some ACP countries to export a certain amount of sugar to the EU at a lowest guaranteed price has also meant that several of the ACP countries have developed an industry, and a dependency, which rests on artificial competitive advantages. Quotas also tend to contribute to corruption and a distorted allocation of resources from small farmers to large-scale producers. The regulation also costs the EU's consumers and taxpayers large amounts of money each year. Sweden has long worked for liberalisation of the sugar sector within the framework of agricultural policy.

Example: Reform of the sugar sector

Sugar regulation is supported by powerful interests in the EU and the ACP countries. The fact that the EU Council of Ministers agreed in November 2005 to reform the sugar sector was therefore a great success for Sweden, which had been working to this end for a long time. The reform does not involve liberalisation, but it does involve an almost 40 % reduction in the price of sugar and sugar beets which will come into force in the next four years. One reason for the reform was that the European sugar regime has been ruled illegal by the WTO.

There are disadvantages to this price reduction however, above all in the short term. The right to sell at the EU's high prices has made certain uncompetitive ACP countries dependent on sugar production, and as a result, large numbers of poor people in these countries are dependent on employment in the sugar sector for their support. Since the problem was created by EU policy, the EU has moral responsibility to as far as possible prevent these people from suffering as a result of the reform. The solution, in Sweden's view, is however to be found through other means than guaranteed high sugar prices in Europe. In the longer term, the price reduction will mean that those countries that are most competitive will continue to produce sugar while the less competitive ones will move on to something else.

The European Commission has therefore adopted an overall plan of action to help the ACP countries of the Sugar Protocol to adapt to the new market conditions, and has allocated € 40 million for this purpose in 2006. New funds will then be needed for the 2007–2013 perspective. Sweden has worked to have the cost charged to the budget for the Common Agricultural Policy, but 2006 funding came instead from the EU's development assistance budget. It has not yet been decided how funding for 2007–2013 will take place.

Conflicts can arise between the goal of promoting the agricultural export of developing countries, above all of smallholders, and our own demands for product safety, limits etc. The issue was raised in a pamphlet produced by the Swedish FAO committee in August 2005. One way of dealing with the problem in the long term is to use development cooperation to help improve production conditions in the developing countries, at the same time as we act in our own countries to promote international harmonisation and clear rules. The pamphlet describes how the cost to developing countries of adapting to the sanitary and phytosanitary standards of the industrialised countries is small in relation to the value of being able to export to the richer markets.

Example: Brazil's export of Brazil nuts

Brazil nuts grow around the major rivers in Brazil's ancient forests. The nuts are not really cultivated; the local population supports itself by gathering the nuts in their natural areas of growth.

However, there is an obstacle to the export of Brazil nuts in the shape of the presence of the toxin aflatoxin, the most carcinogenic substance known to affect the liver. In many countries (including the EU), aflatoxin levels are routinely monitored in various vegetables, and this has meant that Brazil's export of unshelled Brazil nuts has almost stopped because they have been unable to meet the aflatoxin limit. This has in turn meant a reduction in the incomes of thousands of families who live by picking Brazil nuts in the rain forests, as well as in their incentive to protect the forest rather than felling it.

Since the aflatoxin-producing moulds are present naturally in the surroundings, and the climate in tropical regions promotes the formation of moulds, it is difficult to completely avoid aflatoxin formation in vegetable materials from the tropics. The problem can be reduced however if the vegetable materials are stored after harvest in a way that does not aid further mould formation. This has not been the case with Brazil nuts, which are stored near the harvesting area until buyers arrive. In this climate, this type of storage can lead to the growth of mould.

To allow trade in Brazil nuts is to be able to be resumed without compromising consumer safety, the EU has begun cooperating with Brazil and other producing countries to boost knowledge of the standards applied by the EU, and above all what can be done to remedy the problem of aflatoxin in nuts. The Swedish National Food Administration has begun working to develop a sustainable system for preventing the growth of aflatoxin in Brazil nuts. Work is also currently under way with limit values and guidelines to limit the presence of aflatoxins in tree nuts within the Codex Alimentarius (the WHO and FAO's food standards programme).

Through this work the EU hopes to be able to contribute to alleviating poverty among those who support themselves by picking nuts as well as protecting the rain forest from felling and its own consumers from overexposure to toxins.

Poor health is part of the broader definition of poverty. Greater access to drugs to combat acute public health problems can improve the situation of the poorest people in the least developed countries. It is therefore important to provide improved access to e.g. antiviral drugs to combat HIV/AIDS in the world's least developed countries (see the trade policy example below) and that the world acts decisively at an early stage to combat health threats that risk undermining development in many of the world's poorest countries (see the agricultural policy example).

Access to drugs

Production of new drugs is an extremely costly process requiring extensive research and development. Protection of intellectual property rights (including patents) is important for the development of new drugs. Companies must have incentives to invest in research and development, so that better and safer products can be developed. At the same time, there is a huge need of already existing drugs such as antiviral drugs against HIV and AIDS among the populations of countries whose purchasing power is insufficient to allow them to pay what a patented drug costs.

These issues are dealt with within the framework of the TRIPs agreement (Trade Related Aspects of Intellectual Property Rights) which is part of the WTO body of regulation and which, apart from undertakings on equal treatment, stipulates minimum standards for the protection of intellectual property rights.

Example: TRIPs and health

An important agreement was reached concerning the TRIPs agreement and poor countries' access to drugs prior to the WTO Ministerial Conference in Hong Kong. The agreement concerned how to implement the 2003 decision on TRIPs and public health, which allows the manufacture and export of drugs through compulsory licensing. Countries with no manufacturing capacity for drugs and which are experiencing serious public health problems (particularly HIV/AIDS, tuberculosis, malaria and other epidemics) can, after having notified their need to the TRIPs council and without the permission of the patent holder, be allowed to import cheap generic copies of patented drugs manufactured with the aid of a compulsory license in another country. This shows that the TRIPs agreement makes it possible to take into account the right of all WTO members to protect public health and that its implementation is to particularly promote equal access to drugs.

Sweden has been a strong backer of this issue because the decision is important from a development perspective: rules that help make it possible for developing countries to fight widespread public health problems are now being introduced into the TRIPs agreement. This is particularly aimed at improving access to drugs at reasonable prices, and is a step towards solving public health problems in developing countries. The

agreement confirms that WTO members want to ensure that the trading system contributes to humanitarian objectives and development objectives. The decision is therefore a positive one and shows that the regulations are flexible to meet the special needs of developing countries. This is the first time that a WTO agreement has been amended; and it was done to meet the needs of the developing countries.

The decision is expected to promote the work of achieving the goal of the right to health and the global goal of combating poverty.

Combating spread of infection

Those living in poverty are more vulnerable to the consequences of infectious disease than others. They are generally less able to protect themselves from health threats and their access to health care is limited. Over and above this, their margins for dealing with the economic consequences of poor health are narrower than those of other people. This is true regardless of whether the reason is loss of income in the family due to poor health, or reduced ability to sell products due to buyer demands for certified infection-free products.

An epidemic like bird flu therefore hits poor people in many countries very hard, even without the virus having mutated and become able to spread among people. The people of some regions, primarily in Asian countries, are highly dependent on keeping poultry for their livelihood. Despite measures such as the slaughter of 150 million chickens in Viet Nam, China, Indonesia and Thailand, bird flu has continued to spread. Outbreaks have been reported in Europe and Africa. According to the FAO, the spread of the disease to eastern Africa in particular may mean that there is a higher risk that the virus will mutate and begin to spread from person to person, with a resulting pandemic. There are several reasons for this. Animals and people live very close to each other in this part of Africa, and there is little veterinary coordination, something which impedes the fast slaughter of infected birds. Nor are there well-functioning disease monitoring systems. Such a development would hit Africa very hard, particularly poor and vulnerable people who live in cramped conditions and find it difficult to take protective measures. In the same way, the economic aspects of bird flu are worst for small farmers, who have limited alternative means of support.

Example: Measures to counteract the spread of bird flu and its negative effects on global development

The WHO, FAO and the International Food Safety Authorities Network (INFOSAN) – organisations of which Sweden is a member and active contributor to the work and policy decisions – have produced joint recommendations on food safety in the light of the bird flu outbreaks. The ambition is to limit and control the spread of bird flu, something which is extremely important for long-term development in the developing countries and also for the chances of minimising the risk of a global pandemic. In the short term, however, it will be difficult to deal with the economic effects of even poorer export potential for small farmers in

countries that already find it difficult to live up to the industrialised countries' food safety standards. Sweden has therefore chosen to work with the long-term as well as short-term aspects of bird flu.

In the agricultural policy field, Sweden works to promote international harmonisation of international food safety standards so that compliance will be as easy as possible for developing countries. Clarity at this level boosts the developing countries' chances of developing animal husbandry practices that reduce the risk of future outbreaks of animal-borne disease. This takes place in close collaboration with development cooperation work, within the framework of which Sweden is working to improve production conditions in the developing countries through institution building and capacity building, training and technical advice, thus promoting the export capacity of developing countries.

To alleviate the short-term consequences, Sweden will provide multilateral support to in the first hand the FAO and WHO, to limit the spread and effects of bird flu. Sweden is pushing in these forums for economic compensation to small farmers for losses caused by the disease. This will improve people's willingness to report sick animals. Sweden is also an active supporter of the FAO's information campaign in afflicted countries about how the disease spreads and how good hygiene can reduce exposure to the virus and its spread through food.

Bird flu is an example of an issue where Swedish consumers' interest in safe foodstuffs and the ability of small farmers in developing countries to support themselves might stand in opposition to each other. Agricultural policy, social policy and development cooperation policy are all working together to avoid a conflict between the goal of safe foodstuffs and that of contributing to equitable and sustainable global development.

2.3 Migration and development

The number of people crossing frontiers is rising apace with intensified contacts between countries through the exchange of goods, services and ideas. People move from poorer countries to richer ones, but also between poor countries, to improve their ability to earn their living or find a safer life.

There are positive links between migration and development. People who move contribute to development in their country of origin as well as their host country. Ideas are disseminated and the transfer of know-how and resources intensifies. People return with valuable skills. Remittances from migrants living abroad make up a substantial share of the capital inflow of a number of developing countries. However, migration also risks leading to a loss of skills in developing countries. In migration policy, Sweden works to promote equitable and sustainable global development by actively participating in global cooperation to improve forms and bodies of regulation for organised migration, facilitate temporary migration-to-work, reinforce the development effects of the money sent home by migrants to their country of origin, and for greater capacity-building in and better functioning partnership with these countries. This year, the Government has produced a number of studies to boost knowledge of the link between migration and development, for

use as briefing materials to establish a more ambitious approach to these issues. Skr. 2005/06:204

The contribution of migration policy to equitable and sustainable global development is exemplified by efforts within the EU to strengthen the development effects of the remittances – the money that migrants send home – and repatriation.

Remittances

The World Bank has estimated that the total value of the funds sent home by foreign migrant workers to their countries of origin via formal channels in 2004 amounted to 150 million US dollars. This is equivalent to more than twice the sum spent on global development assistance in the same year. There is also a large unknown figure of remittances that take place through informal transactions.

Even if remittances can bring about some negative effects such as individual dependency, passivity, inflation and a risk of greater internal inequalities and tension, the general picture is that they contribute to development. They help boost currency reserves, consumption of domestic goods and services and productive investments. In areas which have experienced conflict, remittances can help maintain payment systems and finance reconstruction. They are even more important for individuals, because it is not uncommon that entire extended families are dependent on funds sent home by the family member who is a migrant worker. Collective remittances from migrant groups can in the long term have a significant impact on the development of a country. Immigrant organisations maintain social, cultural and economic ties to their home countries, something which creates transnational networks that lead to more trade links between the countries of origin and destination. Migrant groups are also often highly committed to the development of their country of origin, by contributing humanitarian aid after disasters and participating in reconstruction processes and the funding of infrastructure measures and social projects.

Example: The EU's work on remittances

Charges for remittances to some countries can be very high, up to 40 %. Informal channels are often cheaper or more efficient. The disadvantage of informal systems is that they are difficult to monitor, and can thus make illegal transactions easier. This problem has come to light not least in the work of trying to cut off the funding sources of terrorist groups. Remittances via informal channels can function as a driving force for development and the promotion of human rights and at the same time risk helping to fund armed conflict and international terrorism.

When informal channels are closed off, poor people are caught in the middle. Within the EU, the Commission has decided to gather knowledge of payment flows, in line with what Sweden has been urging. The ambition is to be able to contribute to greater competition and more cost-effective payment systems which facilitate and encourage the transfer of funds via formal channels. Harmonisation of the Member States' laws

governing remittances would further improve this. Sweden's work is thus oriented towards improving opportunities of combining the positive development dimension of remittances with an efficiency and security dimension. These issues may otherwise risk conflicting with each other.

The Commission has also taken up Sweden's work to boost the positive development effects of the money that migrants send to their countries of origin. EU cooperation in the field of migration and development was intensified in 2005 and remittances have been highlighted as an important factor in this work. One item discussed in the Commission's communication COM/2005/390/FINAL is how remittances affect development in the country of origin and how these development effects can be enhanced. The communication highlights specific areas for improving the development effect of remittances, including greater transparency, a harmonised legal framework for transfers, greater access to financial services for migrants, and improvement of data systems to gain better insight into the size of migrants' resource transfers. Financial support is also being considered for pilot projects that promote the use of new technology with the aim of providing cheap, easily available and competitive transfer services that can provide new economic opportunities in the developing countries. Other areas of emphasis are initiatives to improve access to banking services and financial services in the developing countries, with the emphasis on microfinancing institutions, as well as supplementary measures. The Commission's communication was adopted by the EU Council of Ministers in November 2005.

Repatriation

It can be a great loss to a country if its educated workforce chooses to emigrate. Loss of skills is not, however, a given effect of migration. Even if many people who leave developing countries and go to rich countries to find work never return to their home countries, the global trend is that temporary and circular migration is on the increase.

Research shows that the repatriation of migrants has a very positive effect on human capital in the country of origin. Development measures that boost opportunities and make it more attractive for people to study and work in their home countries improve the conditions for positive migration, in which people return to their home countries with new knowledge and new perspectives. The positive effects of circular migration should also be highlighted and further studied in places where migrants can move legally between the country of origin and the host country, thus contributing to long-term knowledge and development.

Example: The EU's work to promote repatriation

At EU level, Sweden is working to facilitate and boost returning and circular migration.

On 5 September 2005, the European Commission published a communication on migration and development (COM 2005/390/FINAL). The subjects it deals with include how circular migration, knowledge circulation and loss of skills affect developments in the countries of origin

and how these effects can be reinforced or avoided. The Commission emphasised the importance of the member states' exchanging experiences of programmes that help migrants to return to their home countries, and the importance of support to these countries for reintegration of returning migrants.

The Commission has also said that it will be examining measures in fields such as transfer of pension rights and recognition of qualifications. Mechanisms to ensure that researchers and people with higher education can remain in touch with former colleagues in the EU are important in facilitating repatriation. Sweden supports this work.

2.4 Security and development

Armed conflicts are today the most serious threat to development in many poor countries. Poor social and economic development, limited environmental resources, unsustainable use of natural resources and lack of respect for human rights can create instability and are the underlying causes of many of the world's ongoing conflicts. Lack of development in combination with repression and other forms of injustice in many cases creates a breeding ground for armed conflict, terrorism and other threats. Global development policy is, then, not just about contributing to development in itself, but also about helping prevent conflict, a perspective which is found in within e.g. international trade negotiations and international environmental cooperation.

New and altered threats, and the link between security and development, require us to continue to use the instruments available within foreign, security, defence, gender equality and development policy in a coordinated and coherent way.

International cooperation to deal with new threats is another important aspect of the implementation of the policy for global development. International cooperation to deal with crises and armed conflict (such as cooperation against terrorism and for disarmament, cooperation against the uncontrolled spread of small and light weapons and for the strengthening of non-proliferation regimes) contribute to international security as well that of Sweden. This is about our own security and that of poor people in various parts of the world. There are therefore good opportunities of identifying measures that promote Sweden's security as well as equitable and sustainable global development. For example: our various contributions to stability and peace in Afghanistan, in the Balkans and in a number of African countries help fulfil development objectives as well as security policy objectives.

Active participation in international conflict management – the prevention, suppression and resolution of conflicts – as well as reconstruction measures, is an important tool in Swedish foreign and security policy. Sweden is strongly committed to crisis and conflict management within the UN, the EU, NATO/Partnership for Peace, the Organisation for Security and Cooperation in Europe (OSCE) and the Council of Europe, and makes an active contribution to peacekeeping missions as well as helping to strengthen and improve of the ability of these organisations to deal with new threats. The policy for global

development places particular emphasis on an integrated view of conflict and development in the work of preventing and suppressing conflict, as well as the coordination of different policy areas when handling crises and armed conflicts. During the year, the Government has carried out a wide-ranging study of the link between security and development which emphasised the following conclusions: the need to supplement the Millennium Development Goals with goals in the field of security; the importance of boosting involvement in fragile states; the need to invest more in conflict prevention, which is also confirmed in the UN Secretary-General's report on human security; and the importance of developing new conflict management methods in which the link between security and development is clarified. The result of the study provides a platform for future work to improve collaboration and coherence between various policy areas for equitable and sustainable global development.

Below is a description of the contribution of security policy to equitable and sustainable global development, with examples of Swedish participation in multifunctional missions to prevent and manage conflicts, disarmament and reintegration work and the work of clarifying and strengthening the role and participation of women in conflict management.

Multifunctional missions

The complexity of conflicts, and the high expectations on the part of the international community for faster action and follow-up, bring with them a need for a broader type of measure. The Government is continuing to work for a qualitative and quantitative improvement of military and civilian capacity. The Government is also continuing to improve its routines for preparing participation in measures, with regard to long-term planning as well as preparedness to provide assistance in the form of personnel and other resources.

“Multifunctional mandates” have proven successful, and are a natural development of the capacity to handle complex conflicts. The gap between immediate crisis management and long-term peacebuilding can however be reduced further, and cooperation between the various actors – national transitional governments, the military, civilian experts, international organisations, aid workers and civil society – can be significantly improved. Work is under way in various international organisations to improve forms of coordination prior to, during and at the conclusion of peace-promoting measures. This also requires greater focus on the importance of national and local ownership and cooperation with governments, organisations and representatives of civil society in areas of conflict. If the local population does not feel that they are participants in peacebuilding work or that they are beneficiaries of it, this may find its expression in worsening security (including that of women and children) as well as protests against the international presence, which in turn lead to unrest and new instability.

Within the framework of Swedish policy and existing resources, the Government is working to improve international crisis and conflict

management capacity along the entire range of tasks, both civilian and military. This includes realising ambitions for better multifunctional missions, improving cooperation in the field between civilian and military actors, achieving smoother transition from peace support to peacebuilding operations, from emergency crisis management to long-term reconstruction.

The fundamental conditions for development – security, democracy, sources of livelihood, access to education and health care – must be improved as soon as possible after a peace agreement. That is why Sweden is working within the framework of the UN, OSCE, EU and other international organisations to be able to involve development experts in peace-promoting measures at an early stage, where necessary, with the objective of carrying out needs analyses and initiating the dialogues necessary for long-term reconstruction work. Special funds were reserved in 2005 to enable this work to include advisory expertise in gender equality in Afghanistan, Liberia, Sudan and other countries.

Example: ISAF in Afghanistan

The NATO-led International Security Assistance Force (ISAF) in Afghanistan is an example of the new type of conflict management mission, a mission designed to create the security that is necessary for development measures to be implemented. After approval by the Riksdag, the Government has decided to double the Swedish contribution to about 240 people.

Sweden took over command of the Provincial Reconstruction Team (PRT) in Mazar-e-Sharif, located in northern Afghanistan, in mid-March 2006. The Swedish contribution consists of both military personnel and civilian advisors: a political advisor, a police advisor and a development advisor. The PRT's work to create security is helping the Afghan government, the UN and other actors to carry out reconstruction and assistance work. The ISAF is an example of a peace-promoting measure whose work shows the close interplay between security and development. Sweden is also supporting the work of combating widespread narcotics production. Criminal activity in the wake of such production leads to instability and slows healthy economic growth.

Example: UNMIL in Liberia

Sweden has a wide-ranging and long-term commitment to promote peace and security in Africa. Swedish personnel are participating in a large number of international measures on the continent, mostly under the auspices of the UN.

A 240-person strong motorised rifle company has been participating in the United Nations Mission in Liberia (UNMIL) since March 2004. UNMIL is a clear example of a multifunctional mission, whose mandate includes supporting the implementation of the cease-fire agreement and the subsequent peace treaty, aiding humanitarian work and promoting human rights, as well as supporting reforms of the security sector. The tasks of the Swedish units include protection, being responsible for

security during the rehabilitation and reintegration of former soldiers, protecting maintenance routes in the mission area, and, as far as their capacity allows, protecting civilians.

Swedish commitment in Liberia also includes e.g. civilian police officers in the UN force and financial support to the activities run by UN funds and programmes. Special regard has been taken of the situation of children, and of girls and boys who have been child soldiers, as well as the participation of women in the disarmament and demobilisation process. A package of measures is also being discussed for security sector reforms.

These, and other measures, contribute in various ways to equitable and sustainable global development. In this perspective, Sweden's military contribution to international missions is a key contribution to peace and security and thereby, directly and indirectly, to improved conditions for development.

Disarmament, demobilisation and readjustment

Disarmament, demobilisation and reintegration (DDR) of former combatants into the community are important contributions to the work of helping societies make the transition from conflict to peaceful development. The measures are based on the assessment that a certain level of security is a necessary prerequisite for a country's development, at the same time as peace and development in themselves in turn help create security. Financing of the measures takes place via development assistance budgets as well as other budget items.

The complexity of the DDR process has meant that the programmes have not always achieved their stated goals.

Example: The Stockholm Initiative on Disarmament, Demobilisation and Reintegration

Within the framework of the "Stockholm Initiative for DDR", Sweden has undertaken an important role in the work of seeking to improve DDR programmes. A key point is the importance of processes to ensure that the DDR issue is discussed during peace negotiations, as well as the importance of better coordination between donors and national, regional and international actors in DDR issues in peace processes. From the perspective of having defined DDR as an integrated part of an overall peace process, with a special focus on contributing to guaranteed security, proposals have emerged that are intended to make the management of these programmes easier without creating tension in other areas of the post-conflict society. One concrete example would be the establishment of a fund for reintegration, with two main channels: one for ex-combatants and one for community measures in relation to them.

Some of the follow-up work from the Stockholm Initiative is based on establishing the new thinking and the results of the UN's internal work at decision-making level in the UN system. Sweden has offered its support to the EU's future work of developing the issue within the EU. The Folke Bernadotte Academy has been given the assignment of following up and

implementing the results of the Stockholm Initiative, in close cooperation with the Ministry for Foreign Affairs. Skr. 2005/06:204

Women, peace and security

Recent years have seen a focus on the UN Security Council's resolution no. 1325 on women, peace and security. The resolution underlines the importance of women's participation on equal terms in all phases of peace work, and the importance of this factor in achieving a permanent peace. Human rights, as well as equality and gender equality, are central aspects of the resolution. Regional organisations have taken initiatives to speed implementation, in parallel with efforts within the UN and its member countries. Sweden has been proactive in these developments, among other things by lending support to the 1325 work of international organisations and NGOs, presenting proposals within the UN system and implementing special measures in the field. A national plan of action will also be presented.

Example: Swedish efforts towards implementation of Security Council Resolution 1325

Sweden is active in its efforts to implement Security Council resolution 1325 within the European Security and Defence Policy (ESDP).

Much thanks to Swedish efforts, the EU's General Affairs and External Relations Council, (GAERC) could in May 2005 approve a code of practice for missions within the framework of the ESDP. Additionally, the GAERC adopted a plan of action for implementation of the resolution in November last year. The goal is that this plan of action will gradually lead to all work within the ESDP being permeated by a 1325 perspective. Sweden will be carefully monitoring, and actively participating in, the implementation of the plan of action. In the autumn of 2006, the Government intends to analyse the lessons learned from the case study that will be carried out by the EU's Institute for Security Studies during the spring on how the gender equality perspective, in accordance with the action plan, is being mainstreamed into various defence and security policy measures.

Sweden is also actively pursuing the implementation of UN Security Council resolution no. 1325 in OSCE. On Sweden's initiative, the OSCE Ministerial Council in Ljubljana in December 2005 took a decision on women in conflict management. The decision includes a stipulation that OSCE's 2004 action plan for gender equality is to be implemented throughout the organisation and that relevant parts of resolution 1325 are to be mainstreamed into OSCE's operations. Member states are further urged to produce national lists of qualified female candidates. Participating states are also urged to nominate female candidates to senior posts, and increased recruitment of women is encouraged to measures in the field, particularly to leadership posts. The decision also stipulates greater focus on training and greater participation by women in conflict management. The decision also directs the OSCE Secretary General in his annual report on the implementation of the gender equality plan to make special

mention of implementation of resolution no. 1325. The OSCE Secretariat is directed, in cooperation with the participating states, to come up with further measures to significantly boost the number of women in the Secretariat, the institutions and missions in the field. Women in the field are extremely important in establishing contact with women in the local population, which boosts women's participation in the peace process and also helps strengthen their confidence and ability to pursue their rights.

The origins of the ministers' decision lie in the Swedish initiative launched at the annual OSCE security review conference in the summer of 2004, which in turn was followed up by a popular 1325 seminar about women in conflict management arranged by Sweden in Vienna in June 2005. Prior to, and at, the Ministerial Council in Ljubljana, Sweden successfully pressed its demand that formulations about gender equality should be entered into the roadmap for future reform work in the OSCE.

3 Central elements of the policy – objectives, instruments and results

Proper follow-up and evaluation of the policy's development and impact over time requires viable and achievable objectives in each policy area. The 2005 Government Communication to the Riksdag about Sweden's policy for global development identified achievable objectives within the framework of the main elements of the policy and measures required for the achievement of these, and reported on progress made. This year's communication provides an update on developments since the previous communication. The objectives have in some cases been adjusted to strengthen the link to the policy objective of contributing to equitable and sustainable global development.

Several of the instruments presented in communication 2004/05:161 are ongoing processes that are long-term in nature. The results, and the degree to which Sweden's actions have helped bring them about, can sometimes be hard to measure. This is a problem that is inherent in global policy. However, the Government is working in all policy areas to identify possible ways, within the framework of that policy, to contribute to equitable and sustainable global development. The measures presented in the communication are selected on the basis of an assessment that through these measures, Sweden can help meet the achievable objectives, which in turn means a Swedish contribution to equitable and sustainable global development. When, for example, the Government adopts a plan of action for its contribution to the global fight against infectious disease, the assessment is that by following this plan, Sweden can help reduce global prevalence of such disease, which is in turn of great importance in achieving equitable and sustainable global development. Equally, the assessment is that Sweden, by pursuing international negotiations on a global chemicals strategy, can actually contribute to a reduction in the use of hazardous chemicals in the world and thus also the risk that people living in poverty and who cannot easily protect themselves will be exposed to them.

The description is based on existing policies that have already been funded. The policy for global development boosts chances of raising the level of ambition in all policy areas. This takes place through clarification of the development dimension and, where necessary, by finding new ways of pursuing Swedish policy in various areas with the objective of simultaneously contributing to equitable and sustainable global development.

The main aspects of the policy for global development have been grouped under the following headings: 3.1 Fundamental values (respect for human rights; Democracy and good governance; Gender equality), 3.2. Sustainable development (Sustainable use of natural resources and protection of the environment; Economic growth; Social development and security), 3.3. Conflict management and security and 3.4 Global challenges and global public goods.

3.1 Fundamental values

Human rights, democracy and gender equality are fundamental to equitable and sustainable global development. These are not only the goals of the policy, but are at the same time – by virtue of the rights perspective – the very means of its implementation.

3.1.1 Respect for human rights

Human rights issues and concerns must be mainstreamed into every aspect of Sweden's policy for equitable and sustainable global development.

Objective: to promote, strengthen and protect human rights.

The Government pursues a consistent, results-oriented human rights policy at national level, through the EU and in other regional and international organisations. The work is guided by the government communication, Human Rights in Swedish Foreign Policy (Government Communication 2003/04:20) and A National Action Plan for Human Rights (Government Communication 2005/06:95).

- Together with other EU member states, Sweden works to ensure that human rights will be more effectively integrated into the EU's external relations and other operations. Sweden also supports the UN's work to improve integration of a rights perspective into all relevant parts of the UN system and its operations.
- The Government uses the Ministry for Foreign Affairs' annual reports on human rights in the countries of the world along with international reports by UN monitoring committees and other bodies as a basis for policy analysis and choice of initiatives in partner countries. Educational measures on human rights and democratic development are carried out to improve knowledge of these issues among staff at the Government Offices.

- An interdepartmental working party on human rights has been established in the Government Offices. Its purpose is to boost knowledge and awareness of human rights including their domestic and international aspects.
- International work to promote respect for human rights has been linked to domestic work through national plans of action. A second plan of action for human rights was adopted and presented to the Riksdag in March 2006 (Government Communication 2005/06:95). The new plan of action stipulates that recurrent training in human rights is to be provided to Government Offices personnel and that the responsibility of certain government agencies for human rights is to be clarified. A Human Rights Delegation was established in March 2006 with the task of supporting the mainstreaming of the human rights perspective into all public operations, raising knowledge and awareness of human rights among the general public and sparking debate.
- Sweden will host an international conference on national plans of action for human rights no later than 2008. Countries that have, or are considering drawing up, national plans of action will be invited.
- In 2005/2006, Sweden is chairing the UN General Assembly for the first time. In this capacity, Sweden has had an important role in following up the UN summit in September 2005. In March 2006, the General Assembly decided to set up a Human Rights Council, to replace the Human Rights Commission. The Council will greatly improve the UN's capacity to handle human rights issues. For example, the Council will meet more often, and it will be possible to summon special sessions of the Council to respond to urgent situations and provide recommendations to other parts of the UN system. The first meeting of the Human Rights Council will be held in June 2006.
- Sweden's chairmanship of the UN General Assembly was an important factor in the UN's December 2005 decision to set up a peacebuilding commission.
- Sweden is a participant in the Council of Europe expert committee that works to protect national minorities, as well as in the Council's expert committee for Roma issues.
- Together with a number of other countries, Sweden has launched an independent top-level commission about the legal rights of the poor. The commission has a broad mandate, which apart from the formal sector and formal ownership, also covers the right to use public resources, employment and the labour market, and recognises the potential of the informal sector to reduce poverty.
- Sweden is an active participant in the drawing up of a UN convention on the rights of the disabled to enjoy their human rights and is providing support to the participation of NGOs in this work.
- Sweden has arranged a training course in human rights and disabilities for government ministries, public agencies and disabled people's organisations from the developing countries.

Objective: that the fight against poverty should benefit all, including the elderly and disabled.

Skr. 2005/06:204

Sweden is working actively for the implementation and follow-up of the UN Standard Rules for the Equalization of Opportunities for Persons with Disabilities, and is an active participant in the UN's work to produce a convention in this field. Sweden also seeks to ensure that the disabled and elderly will not be left behind in the work to achieve equitable and sustainable global development through Swedish policy work in the EU, the Council of Europe and the World Bank, as well as in the WHO and other UN organs.

- The Government has extended renewed financial support to a fund set up to enable representatives of NGOs in developing countries to take part in UN efforts to draft the convention on the rights of disabled people.
- The WHO member countries have adopted a resolution on issues for the disabled. The resolution, the result of an initiative by Sweden and the other Nordic countries, means that the WHO's as well as international cooperation to improve the rights of the disabled will be intensified.
- Sweden is seeking to prevail on the executive boards of international financial institutions to provide analyses of the effects of trade reforms on poverty and wealth distribution.

Objective: to strengthen, on a global basis, compliance with and respect for the human rights of employees

- Together with Swedish industry and trade unions, the Government is encouraging other countries to ratify and comply with the ILO's Conventions.
- An international conference was arranged in 2005 on the role of employment issues in development cooperation. As part of its follow-up work, the Government is pressing the viewpoint in various international arenas that rights in working life are an important factor in development cooperation.
- In November 2005, The Swedish International Development Cooperation Agency (Sida) signed a cooperation agreement with ILO, laying the groundwork for several years' partnership oriented towards rights in working life and other labour market and employment issues.
- In 2005, the ILO began negotiations to create a new work environment instrument with the aim of promoting implementation of already adopted work environment conventions. Sweden strongly supports this work.
- Two seminars were arranged in 2006 within the framework of Global Responsibility, as was a workshop on companies and human rights.

Objective: that the activities of international institutions are informed by a rights perspective on development.

Skr. 2005/06:204

The work of mainstreaming the rights perspective has a prominent position in Swedish policy. Sweden is an active participant in the OECD's development cooperation directorate's network on governance (OECD/DAC GOVNET) to influence other countries and international institutions such as the UN and the World Bank to mainstream a rights perspective into their work. A working party, in which Sweden is represented by Sida, is now producing guidelines for the application of the rights perspective which are to be used by all donors.

- Sweden has been active in the Nordic-Baltic constituency in drawing up a position paper on how the World Bank currently works with the rights perspective, and how this work can be improved in the future. Over and above this, Sweden has discussions with the World Bank about rights issues and the Bank's role in the area, and how a rights perspective can be introduced into the second generation of action plans to achieve the Millennium Development Goals.
- Sweden is working to ensure that social impact analyses are used more when drawing up economic reform programmes in the World Bank (as well as the International Monetary Fund).

3.1.2 Democracy and good governance

A common point of departure for the Government's democracy development work at national and international level is the creation of an environment in which individuals can improve and influence their own circumstances. This is done by providing them with the opportunity and ability to assert, and actively exercise, their political and civil rights and gain influence through informed choices.

Objective: to improve individuals' chances of influencing their living conditions.

Sweden supports international cooperation in the UN, the Organisation for Security and Cooperation in Europe (OSCE), the EU, the Council of Europe and the Institute for Democracy and Electoral Assistance, (IDEA) with the aim of promoting democratic processes and improving exchanges of experience and cooperation in democracy development issues.

- In 2005, Sweden has been an active participant in the work of drafting a proposal to the Council of Europe to set up a Democracy Forum for exchanges of experience on national democracy development between the member states. A decision to set up such a forum was taken at the Council of Europe summit in May 2005. Sweden has offered to host a forum in the spring of 2007.
- The UN summit in September 2005 resulted in a fund for democracy measures. Sweden has expressed support for this fund.

Objective: that the International Monetary Fund and the World Bank will be efficiently managed and that the influence of developing countries will improve.

Skr. 2005/06:204

Sweden is pushing for greater influence for the developing countries and for underrepresented growth economies in the IMF and World Bank. This is to strengthen the legitimacy of these institutions. The work is taking place within the framework of the Nordic-Baltic constituency and the EU.

- Sweden is working to improve the efficiency of the institutions' board work and their policy committees, and has taken initiatives within the EU to discuss the IMF's internal control.
- Sweden contributes to capacity-raising measures to strengthen the participation of the developing countries in the decision-making processes of the institutions, among other things to ensure that policy formulation promotes the perspective of the poor on development.

Objective: to identify the actors, structures and processes which are beneficial or detrimental to poverty-reducing reforms in developing countries.

- To help strengthen the institutional capacity of the developing countries, the Government is acting to boost cooperation between Swedish public-sector actors and their equivalents in developing countries.
- Sweden, along with Norway and the UK, is playing a leading role in the OECD/DAC GOVNET network in the development of methods for analysing power relations and factors for change. Guidelines for how this analysis method should be used by donors were presented in GOVNET in 2005.

Objective: to prevent and fight transnational organised crime and corruption.

Sweden works actively to develop transnational crime prevention and crime fighting, for example by drafting, acceding to and implementing undertakings in international conventions. As a signatory to e.g. the OECD Anti-Bribery Convention and the UN Convention on Transnational Organized Crime, Sweden also acts with others to fight smuggling, the drug trade, human trafficking, corruption and money laundering. Sweden works to implement various measures in Sweden and in regional and international arenas to prevent and combat the demand for e.g. women and children for prostitution. This demand provides a breeding ground for transnational organised crime.

- Sweden has initiated a survey of the problem and a project to prevent trafficking of women in the Barents region. This measure is being implemented in 2003–2006 by the County Administrative Boards in the most northerly counties of Norway, Sweden and Finland, as well as the county of Murmansk. The orientation of the project is to find alternatives for women and children in Russia who have been exposed to, or risk exposure to, prostitution and human trafficking,

and to draw up and implement measures to counteract the demand for women and children for prostitution. The measure also includes boosting knowledge and establishing cooperation between authorities, NGOs and other key players. A first report will be published in the spring of 2006.

- The Government has begun to work on a proposal, to be submitted to the Riksdag in 2006, on accession to the UN Convention on Corruption. Sweden is already a contributor to the work in the UN's organs against crime and narcotics with the aim of supporting the developing countries' work of ratifying the UN Convention.
- During the past year, Sweden has been an active supporter of the work in the UN Conference for Trade and Development (UNCTAD) which aims to reinforce and promote the importance of good governance as a component of the investment-promoting activities of the least developed countries.
- Trade barriers and complex bureaucratic procedures can encourage corruption, for example in Customs authorities. Sweden therefore actively promotes free and fair trade and supports simplified trade procedures. For example, Sweden has implemented measures focused on reducing the risk of corruption in the Customs authorities in China and, in cooperation with Vietnam, is planning to do the same there.

Objective: to contribute to the establishment of democracy-promoting cultural and media policies in partner countries.

- Within the EU, Sweden pressed actively for the decision on a draft convention at the United Nations Educational, Scientific and Cultural Organization (UNESCO) General Conference in October 2005. The convention, which has a clear development policy orientation, is aimed *inter alia* at consolidating the rights and obligations of countries to pursue national cultural policies that support cultural diversity. Work is now under way to pave the way for EU accession to the Convention and its national ratification.
- The International Network on Cultural Policy (INCP) which Sweden helped found in 1999 held its most recent meeting of ministers in November 2005. The meeting was clearly development-oriented, in line with the network's work to bring about an international convention on cultural diversity.
- In March 2006, the Government submitted a communication to the Riksdag about the internationalisation of culture (Government Communication 2005/06:188). This is a product of the improved cooperation between cultural and foreign policy on the one hand and development cooperation on the other. Future work in the field aims at continuing to strengthen cooperation between pertinent operations within the respective policy areas.

Objective: that the ideas and opinions of civil society are to contribute to the concrete implementation of the policy for global development.

Skr. 2005/06:204

- During the year, a number of organisations have become involved in implementation of the policy, both on their own initiative and through seminars and direct dialogue on the policy with the Government. The work of institutionalising this dialogue has begun, with the aim of establishing an annual national Forum for Global Development.

3.1.3 Gender equality

Implementation and follow-up of the policy for global development and effective poverty reduction presuppose the active promotion of human rights initiatives as well as measures to strengthen gender equality.

The work of mainstreaming the gender equality perspective is to take place in all policy areas and in all relevant measures and policy decisions. In the communication, measures are described under their respective areas. This section thus presents measures within the framework of Swedish gender equality policy as well as the overarching work of gender mainstreaming.

Objective: to ensure that measures in all policy areas relating to the implementation of the policy for global development are designed in such a way that they help promote gender equality.

- Gender mainstreaming of the Government Offices is ongoing. Gender equality analyses were carried out in all policy areas in 2004–2005, and in 2006 the work is focused on gender mainstreaming the budget process and improving the work of gender mainstreaming Sweden's cooperation with the EU. The work promotes knowledge and improves the potential for policy areas to contribute to equitable and sustainable global development in a way that promotes gender equality at global level too.
- The 50th session of the UN Commission on the Status of Women, held in the spring of 2006, dealt with two themes: strengthening women's participation in development cooperation work and equal participation of women and men in decision-making processes. The discussions resulted in recommendations for the gender equality work of the member states. There was also agreement on new work methods, and a decision was made on a work programme for the Commission for the years 2007–2009. The new work methods focus more on follow-up and implementation than was previously the case. Sweden was as always a very active participant.
- The international conference on violence towards women and girls, with a focus on violence in the name of honour, held in Stockholm in December 2004, was followed up in 2005 with a survey of measures to counteract patriarchal violence, particularly violence in the name of honour, against women and homosexuals, bisexuals and transgender persons. The survey was carried out on the assignment of the Justice Ministry and is described in the report *Patriarchal violence – an attack on human security*.

Objective: to reduce the demand for women and children for prostitution purposes.

Skr. 2005/06:204

In international institutions and organs, the Government has stressed the importance of special focus of the work on combating the basic causes of prostitution and human trafficking, men's demand for women and children for sexual exploitation, and measures to improve the social, economic, political and legal position of women and children.

- The Swedish Act Prohibiting the Purchase of Sexual Services is described as a model worthy of imitation in the work of preventing prostitution and human trafficking.
- During 2004–2006, Sweden and the US are co-funding a collaboration project concerning prostitution and human trafficking. The objective of the project is to develop strategies and measures to fight prostitution and human trafficking, *inter alia* among the new EU member states and candidate countries, and in other selected countries in Eastern Europe and the Balkans.

3.2 Sustainable development

Environmental, social and economic aspects of development are intimately interrelated. Economic growth is a prerequisite for the long-term reduction of poverty, and for social and environmental development. A good environment and protection of natural resources are important factors in long-term economic growth and the living conditions of poor people. Shortcomings in the social sphere such as poor public health, limited educational opportunities, social and gender inequality lead in themselves to poverty and also increase the risk of conflicts and insecurity, which in turn impedes the potential for sustainable development in the environmental, economic and social spheres.

3.2.1 Sustainable use of natural resources and protection of the environment

Sustainable use of natural resources, protection of the environment and sustainable consumption and production are key factors in equitable and sustainable global development. Environmental degradation and depletion of natural resources are both a cause, and a consequence, of poverty and conflict. The manufacture, dissemination and consumption of growing numbers of increasingly complex products give rise to environmental problems including climate change, the spread of hazardous chemicals and natural resource depletion. Given the transnational nature of environmental problems, it is essential that national policies for sustainable development be coordinated with the policy for global development.

Economic growth is a fundamental condition of lasting poverty reduction. The challenge is to ensure that no negative links arise between economic growth and environmental degradation. This can be achieved by making consumption and production patterns more sustainable, i.e. by making efficient use of raw materials, developing sustainable production patterns and making these widely available, as well as promoting sustainable product development and sustainable waste management.

Objective: to achieve the transition to a sustainable society.

The Swedish strategy for sustainable development was revised and submitted to the Riksdag in March 2006 (Government Communication 2005/06:126). The communication is the next step in the Swedish strategy for sustainable development which was presented in 2004. The strategy highlights four strategic challenges (build a sustainable society, stimulate good health on equal terms, meet the demographic challenge, promote sustainable growth). A global perspective is integrated into relevant parts of the strategy.

- Sweden is actively following up the 2002 Johannesburg summit on sustainable consumption and production. Among other things, Sweden will host the next international meeting of the UN's third international conference of experts on sustainable consumption and production, to be held in 2007. Sweden has also undertaken a leading role for sustainable consumption and has appointed an international working group on sustainable lifestyles, whose work programme will be presented at the UN Commission for Sustainable Development meeting in New York in May 2006.
- In May 2006, the Government presented the communication *Tänk om! En handlingsplan för hållbar konsumtion för hushållen* (Think twice! An action plan for sustainable consumption for households) (Government Communication 2005/06:107).
- The Environmental Advisory Council has begun an analysis of Sweden's global ecological footprint as well as of how developments in various growth regions are affecting the state of the world's environment. The analysis will provide a basis for the Government's deliberations on coherent measures on the part of Sweden.
- Since 2004, the Swedish University of Agricultural Sciences has had a special assignment to monitor international work. Its object is to develop and disseminate knowledge with a focus on poor countries and their poor inhabitants within the University's profile areas of sustainable production systems, human and animal health, environmental monitoring, climate change and water, quality in the food chain, quality of life and rural development and protection of natural resources and research into natural resources.
- At the FAO conference in November 2005, which was attended by the Agriculture Ministers of a large number of countries, the Swedish Minister for Agriculture led a seminar on the conditions of women in rural parts of poor countries. Women are responsible for most food production in these countries and the intention was to draw attention

to the importance of providing them with the same access to land, borrowing opportunities and technology as the men. This is important not least for the achievement of the Millennium Development Goals.

- Together with the rest of the EU, Sweden is working to ensure that multilateral environmental conventions and WTO agreements are not allowed to undermine each other, but that they will combine to strengthen both free trade and respect for the environment around the world.
- Sweden is pressing for ambitious results in the ongoing WTO talks on the liberalisation of trade in environment-related goods and services. The negotiations have been proceeding slowly however, since focus has lain on other areas of negotiation.
- Sweden is working actively to improve forest stewardship to reduce illegal felling and trade in illegally felled timber. Cooperation with other countries takes place *inter alia* through the Europe-North Asian Forest Law Enforcement and Governance organisation, administered by the World Bank, and through partnership agreements with major lumber producers who export to the EU.
- In the FAO, Sweden has pressed for a resolution on a continuation of international forest cooperation between the UN Forest Forum and the international forest partnership until 2015. Such a resolution will be adopted in 2006. From a Swedish viewpoint, the most important step forward in this is that the international forest partnership will have a stronger mandate to implement previous international agreements in the area.

Objective: that sustainable consumption and production are to be integrated into the UN Commission for Sustainable Development as a specific field.

- In the UN Commission for Sustainable Development (CSD) in May 2006, Sweden pressed for the integration of aspects of sustainable consumption and production. This work has mainly taken place by influencing the EU's positions.
- Sweden also raises the issue at various side events on the topics of energy and sustainable consumption and production, and at a joint side event with all international working groups within the Marrakech process.

Climate and energy policy

Climate change is independent of where the emissions come from. Rich countries' reductions in emissions are therefore also crucial for poorer countries, as are efforts to reduce emissions in countries that are on the brink of steeply climbing energy use. A key factor in reducing climate change is a heavy reduction in the use of fossil fuels. Greater use of cost-effective bioenergy is important if we are to reduce dependence on fossil fuels, and Sweden is working actively to make the transition from fossil to renewable energy sources. Diversification of energy sources can also benefit poor countries sensitive to high, strongly fluctuating oil prices.

Objective: that Sweden will be proactive at international level in bringing about environmental adaptation and greater efficiency of energy systems, and will be at the forefront of global climate change work.

Sweden is pushing for a link to be established between the European Emissions Trading System and the flexible mechanisms of the Kyoto Protocol. Through the flexible mechanisms, Sweden contributes to modernisation of the energy system in developing countries, thus promoting sustainable development in these countries.

- Sweden is working actively – primarily through the EU – to bring about a post-Kyoto climate regime for the period after 2012, when the Kyoto Protocol expires. Sweden is also working to negotiate new commitments for the parties to the Kyoto Protocol prior to the second commitment period.
- Sweden has managed to reduce emissions while retaining good growth in its economy. Swedish experiences are also important to other countries, including many developing countries, since they make it clear that environmental considerations and economic growth need not stand in opposition to each other.
- Sweden has a programme for the Kyoto Protocol's project-based mechanisms with projects in Brazil and India, and also has projects to assist Romania and Estonia with their implementation. The programme is to be extended to China, Russia, the Ukraine and other locations.
- Sweden is working actively to make the transition from fossil fuels to cost-effective renewable energy sources.

Objective: that developing countries will have the capacity to promote climate aspects in national decision-making processes, have well-functioning energy markets, be able to participate in international institutions and develop alternative energy sources.

Sweden supports the International Energy Agency (IEA) and the International Energy Forum (IEF), for example in their efforts to bring about a more effective dialogue between producer and consumer countries.

- Through its development cooperation with the least developed countries, Sweden helps these countries improve their capacity to integrate climate policy into the work of combating poverty and creating growth.
- The Swedish National Energy Agency and Sida are currently drafting a cooperation agreement which will more effectively link energy and climate issues to regional development measures. These agencies are already cooperating on climate investment projects within the framework of the Kyoto Protocol's Clean Development Mechanism.

Biological diversity

The approximately 1.3 billion people living in extreme poverty in rural areas and along coasts around the world are highly dependent for their

income and livelihoods on local biodiversity and the services that ecosystems provide. If the poor are to have a chance to influence their development, efforts to maintain, and in many cases restore, local natural resources are important, as are efforts to ensure that these resources are exploited in a sustainable fashion. For example, one prerequisite for sustainable economic and social development is to secure poor people's access to water in the long term. It is also a problem that many locally-adapted breeds of domestic animal which are highly important for poor people's food supply in developing countries are threatened with extinction.

Objective: that developing countries will have the capacity to protect biological diversity and use natural resources in a sustainable fashion.

Sweden is working to put in place measures designed to protect biological diversity and promote its sustainable use, based on improved sectoral responsibility and the precautionary principle, *inter alia* by drawing attention in various contexts to the link between the Millennium Development Goals and the work on biological diversity. The framework for action in this area is primarily provided by the Convention on Biological Diversity (CBD), the Cartagena Protocol on Biosafety and the Convention on International Trade in Endangered Species of Wild Fauna and Flora. Access to and equitable distribution of the benefits accruing from the use of genetic resources is one of the main objectives of the CBD, and is thus especially important.

- Sweden is active in the EU as well as in the International Plant Protection Convention (IPPC) to ensure that the rules produced are justified and do not constitute hidden trade barriers or are unnecessarily administratively burdensome. Sweden also actively supports the capacity building of the developing countries in this area. Prior to the first meeting of the IPPC's Interim Commission on Phytosanitary Measures in April 2006, the Swedish Board of Agriculture was an active participant in the standardisation work as well as in the implementation of the International Protocol on Biosafety and the Regulations on Transboundary Movement of Genetically Modified Crops.
- The Swedish Biodiversity Centre, which is part of the Swedish University of Agricultural Sciences, has together with Sida initiated an international programme working with knowledge support to strategically important biodiversity activities with a focus on combating poverty.
- Sweden is pressing for implementation of the measures identified during the thirteenth session of the UN Commission for Sustainable Development in May 2006. Follow-up of developments will take place in 2008.

Objective: international commitments to halt the loss of biodiversity to 2010 are to be implemented.

- Prior to the eighth meeting of the parties within the framework of the Biodiversity Convention in March 2006, Sweden (working primarily via the EU) helped draft and present a number of indicators for

follow-up of the “2010 target”, which involves international undertakings to halt the loss of biodiversity to 2010. The purpose of the indicators is to measure achievement of the objectives, and they cover both protection and sustainable use of biodiversity. They measure how well the ecosystem’s capacity to deliver goods and services has been maintained, as well as how well traditional and local knowledge has been maintained and access to resources. The indicators are to be supplemented with ones covering fair distribution of the value added created in the use of genetic resources.

Objective: to deepen international cooperation on access to genetic resources and the traditional knowledge of indigenous peoples and local communities concerning the conservation and sustainable use of biodiversity, and the equitable distribution of the benefits accruing from the use of these resources.

The Government is currently engaged (primarily through the EU) in negotiations in the CBD to set up an international regime for access to and distribution of the profits accruing from genetic resources. Sweden is also active in the UN World Intellectual Property Organization (WIPO) and the WTO in issues such as whether disclosures of origins in patent applications might be one effective way of developing such a regime.

- To secure financing of gene banks and other conservation measures, Sweden made a financial contribution in 2005 to the Global Crop Diversity Trust, which works closely with the FAO and under the auspices of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA). Sweden is an active participant in the control of this fund.
- Sweden has ratified the ITPGRFA, which came into force in 2004. The key part of the treaty is the multilateral system for the acquisition of plant genetic resources and the allocation of the value that can arise when the resources are used. Negotiations on a standard agreement for trade in plant genetic resources, which are expected to result in a decision in June 2006, have primarily been about balancing the interests of the developing countries and poor small farmers on the one hand, and those of richer countries and large corporations on the other. In the negotiations, Sweden has made use of Sida’s knowledge of development issues.
- In April 2006, Sweden hosted a meeting with the contact group that is negotiating the standard agreement for the regulation of rights and obligations within the multilateral system for the use of plant genetic resources.

Objective: protection of the marine environment and marine areas, and sustainable use of marine resources.

The work of drafting a European marine strategy is ongoing and Sweden is active in efforts to bring about a global approach to ensure future access to protein for coastal populations in poor countries. The Swedish Environmental Protection Agency, the Swedish Board of Fisheries, the Swedish Maritime Administration and Sida have worked with the World

Wildlife Fund to draft a marine initiative and collaborate through a joint marine consultative council. Sweden will also act to ensure that this regard for the environment is taken into account in the overarching work of developing the EU's maritime policy.

- Sweden is a supporter of regional intergovernmental cooperation between developing countries in Africa, Asia and Central America/the Caribbean, with the objective of helping strengthen these countries' capacity to cooperate to protect the marine environment and improve the management of *inter alia* living marine resources.
- Sweden has been active in the work of the International Maritime Organization (IMO) to develop a voluntary auditing system through which maritime nations will be able to have objective reviews of how they live up to their international undertakings in the issue of maritime safety and environmental protection, as well as proposals for improvements. A fund has been established by the IMO to help countries with small economic resources to undergo audit.
- Sweden is an active participant in the work of the IMO to produce a convention for recycling ships. Today, ship recycling takes place in a number of developing countries in inferior conditions, not least in the work environment. The new convention, which can be expected to be adopted by 2009, is based on the work of the ILO and other actors.
- Sweden is active in international fisheries cooperation work with regional maritime environment cooperation under the auspices of the UN Environmental Programme (UNEP) in Africa, Asia and Central America/the Caribbean, and through global cooperation in the maritime environment programmes led by the UNEP. Additionally, the Swedish Board of Fisheries has institutional cooperation with the Ministry of Fisheries in Indonesia.

Objective: that fisheries agreements with third countries will promote sustainable fishery in the long term.

The European Community fishery agreements, known as "partnership agreements in fishing", mainly with African countries, are an important source of income for many of these countries. At the same time, the agreements involve sections of the populations of these countries who have fish protein as an important part of their diet, or who directly or indirectly derive their income from the fishing industry, and Sweden is working to secure improvement in the evaluations and scientific data and to ensure better control that fishing is taking place in a way that is sustainable in the long term. This is to apply to both existing agreements and new ones concluded with developing countries.

- Sweden monitors the EU's partnership agreement negotiations with developing countries. Swedish officials attend negotiations to help ensure that briefing material and agreements are drawn up in a way that promotes development. This applies to Senegal, Guinea-Bissau, Mozambique and other countries.
- To ensure that the developing countries' income from the partnership agreements benefits the coastal population and underpins sustainable fishing, the EU, with the support of Sweden, is working to ensure that some payment for fishing rights is to be devoted to directed measures

for institution and capacity building in the fishery administrations of the partner countries. Skr. 2005/06:204

Chemicals

Poor people, more than others, are often at risk of exposure to dangerous chemicals and hazardous waste in their everyday lives. This exacerbates the consequences of poverty and makes it harder for vulnerable people to create better lives for themselves.

Objective: a reduction in the use of dangerous chemicals and more effective management of hazardous waste to help reduce the exposure of poor people to both of these.

- Sweden has had a proactive role in the negotiations to produce a global chemicals strategy. The strategy, which was finalised and adopted in February 2006, provides developing countries with opportunities for greater domestic control of chemicals and improves their ability to implement international undertakings.
- In the past year, Sweden has nominated further chemicals to the Stockholm and Rotterdam Conventions, including mercury and paraquat. The reason for this is that these chemicals have had serious consequences for both human health and the environment in many developing countries.
- Sweden is working within the EU to put in place global measures to limit the use of mercury. The use of mercury in e.g. gold mining in a number of developing countries has extremely negative effects on human health and the environment, and it is important to remedy the problem.
- Sweden is pushing within the EU for alternatives to be produced to the use of dichlorodiphenyltrichloroethane (DDT) to combat malaria. Above all, Sweden is working to secure a breakthrough for the EU's work to draw attention to the Global Fund against AIDS, tuberculosis and malaria. Sweden is also pushing for the EU to give the Secretariat of the Stockholm Convention the assignment of working together with the WHO to examine the need of continued use of DDT to combat malaria.
- The Swedish Chemicals Inspectorate and Sida have begun working together with a focus on developing regional programmes for chemicals control and assisting the partner countries in their efforts to legislate and build institutions, and to establish national training programmes in toxicology and ecotoxicology for government experts. The Chemicals Inspectorate has also established an international secretariat for support to other countries.
- Sweden helps fund a programme in Africa the purpose of which is to dispose of old stores of hazardous chemicals.

Institutional development

Skr. 2005/06:204

An important aspect of the environmental work carried out by developing countries is the development and strengthening of their environmental institutions and agencies.

Objective: that developing countries will have well-functioning environmental management capacity.

- Sweden is working to ensure that international environmental institutions will give priority to measures to build up effective institutional structures in the developing countries. There is also cooperation between Swedish government agencies and environmental agencies in the developing countries, and some of the increased assistance in the environmental field will be devoted to cooperation for training, capacity support and environmental management.
- In 2006, Sweden has boosted its financial support to enable developing countries to participate at meetings under the auspices of the environmental conventions and other international processes, and support regional environmental cooperation, one of the aims of which is to build up the institutional environmental management capacity of the developing countries.

Objective: that there will be greater coherence internationally between environmental and development policy.

- Sweden has initiated a meeting between the ministers responsible for environmental and development cooperation within the OECD in 2006. This meeting will provide a platform for further integration between policy areas, both within the OECD and in the OECD countries' international commitments.
- Sweden supports the cooperation between the UN Development Programme and the UNEP to boost integration of the work to fight poverty and promote environmental protection. Sweden has also worked actively in the Network of Women Environment Ministers to bring about greater emphasis on gender equality issues in the United Nations Environment Programme (UNEP). The recommendations adopted include measures to strengthen the role of women in decision-making processes at national level.
- A Swedish strategy for 2004–2006 has been produced to focus cooperation with the UNEP. This, like the 2005 memorandum of understanding between Sweden and the UNEP, is currently being implemented. In this cooperation, one of the issues stressed by Sweden is that the work should be more clearly characterised by a gender equality perspective.

Jobs and opportunities for earning a livelihood are crucial factors in achieving greater wealth and lasting reductions in poverty. Economic growth is a crucial factor in this.

If growth is to benefit all, more emphasis must be placed on employment-promoting measures and a distribution policy must be pursued which benefits the poor. Sustainable economic growth is conditional on an investment-friendly climate whose defining features include economic stability, a sustainable debt burden, stable and transparent ground rules, the rule of law, efficient institutions, access to capital for the promotion of private sector growth, and the opportunity to trade with other countries in the region as well as around the globe. Another key condition is recognition of the informal sector, in view of its central importance in the economic and social security of the poor and their chances to develop. In this context, secure access to various types of resource on which poor people are dependent (for example, land for cultivation) is highly important. Other requirements are efficient markets for capital, services and commodities, not least to ensure that poor people have access to the necessities of life.

Development-friendly economic climate

A sustainable burden of debt and international financial stability promote developing countries' chances of achieving sustainable economic growth.

Objective: sustainable debt burdens for the world's poorest countries.

Sweden is writing off its share of the bilateral debt owed to the Paris Club as part of the Heavily Indebted Poor Countries (HIPC) Initiative, and is providing multilateral funding to its share of the HIPC Trust Fund.

- Sweden supports the multilateral debt relief initiative launched in 2005, and intends to fund its share of the cost of the initiative. Sweden is also pressing in various international arenas for full funding of the HIPC initiative.
- Sweden supports capacity building in debt management in the poor countries, as well as UNCTAD's development of a debt management programme used to collect statistics as a basis for portfolio analysis, risk analysis and debt sustainability analysis in low and middle-income countries, including HIPC countries.
- Sweden is supporting the work of the World Bank and the IMF to develop a framework for debt sustainability in the world's poorest countries.

Objective: to strengthen the work of the EU and the international financial institutions in their efforts to prevent financial crises, develop instruments to manage these when they occur, and support developing countries in their endeavours to achieve economic stability, growth and poverty reduction.

- Sweden works actively to improve the conditions for economic stability, growth-promoting reforms and the fight against poverty in low-income countries in its capacity as a member of the boards of international financial institutions, where overarching policy issues as well as lending to individual countries are discussed and decided, as well as at the spring and annual meetings of these institutions. Sweden is also active in the informal coordination of IMF work within the EU to improve the IMF's work to identify and remedy financial vulnerability in individual countries and regions as well as at global level. Subjects for discussion include how to manage countries' unsustainable debt, prevention of financial crises and the IMF's role in low-income countries. Sweden has pushed actively in discussions on the IMF's Medium-Term Strategy to improve the IMF's monitoring of the global economy, above all through greater emphasis on transboundary effects, the functioning of the financial sector, and country-specific economic and financial vulnerability.
- Sweden is proactive in the IMF, EU and G10 in the development of mechanisms for external government borrowing which are aimed at preventing financial crises and securing controlled and predictable conflict management processes. During discussions on the IMF's Medium-Term Strategy, Sweden has drawn attention to the need of clearer guidelines for renegotiation of a country's foreign debt, including that to private creditors.
- Sweden has established a direct, continuous flow of information between its embassies and its representations in the IMF and World Bank, which has helped promote more coherent action.
- Within the framework of the European Investment Bank, Sweden is a member of a committee that examines proposed investments in Africa, the Caribbean and the Pacific region. Sweden's positions in the committee rest on development policy analyses, including factors such as the impact of the proposals on financial stability.

Objective: that the transition countries will have the capacity to devise, draw up and implement economic programmes for their transition to market economies.

Sweden actively supports efforts to strengthen the advisory function on structural issues of the European Bank for Reconstruction and Development. There is a great need of reform in the poorest countries in which the Bank operates, but Sweden also sees a role for the EBRD in the future work in sectors in the new EU member states (not, however, Malta and Cyprus) and candidate countries where the transition to a fully-fledged market economy has not yet been completed.

- Sweden is working to ensure that the European Investment Bank and the Nordic Investment Bank, in cooperation with other financial

institutions, support developments in the fields of infrastructure and institutional capacity in the transition countries.

- The ongoing cooperation programme involving the finance ministries of Sweden and Russia – designed to promote efficient economic management in the Russian government administration – and the same type of programme currently being established with the Ukrainian finance ministry are examples of the wide-ranging exchanges between government agencies, education and research institutes, individual organisations, municipalities and regions with the aim of supporting both the Russian and the Ukrainian reform processes.

Development-friendly investment

Investment in and trade with businesses in poorer countries help generate economic growth *inter alia* through greater employment, the transfer of knowledge and technology and greater tax revenues. This contribution is boosted when investing businesses support, and endeavour to comply with, international principles and guidelines concerning basic working conditions, human rights, the environment, gender equality, bans on child labour, efforts to fight corruption, etc.

Objective: improved capacity of developing countries to attract foreign investment

- Stability and predictability are key factors in the ability to attract foreign investment. Since 2005, Sweden has chaired the World Association of Investment Promotion Agencies, WAIPA, an organisation with links to UNCTAD. This, and Swedish financial support for the establishment of and exchanges of experience between investment-promoting authorities in developing countries, has helped strengthen investment-promoting public agencies in a number of developing countries as well as the development dimension in WAIPA.
- Sweden has supported UNCTAD's work to promote a good investment climate in developing countries, and has gained acceptance for a greater focus on investments that promote long-term sustainable development. Sweden has also supported UNCTAD's work to improve and promote the importance of good governance as a component of countries' investment-promoting activities.
- Sweden is working to bring about mutually beneficial tax agreements with developing countries, which will improve these countries' chances of attracting Swedish investment. Sweden also supports the OECD's work on investment and development, which is intended to support policies in the developing countries that promote domestic and foreign investment and sustainable economic growth, as well as initiate a global discussion on what constitutes good investment policy.
- Sweden supports and helps fund UNCTAD projects concerning inspection and follow-up of measures for a good investment climate

in developing countries. Sweden has pressed for and gained acceptance for greater focus on qualitative investments and their effects on long-term sustainable development.

- Sweden is prepared to enter into bilateral investment protection agreements with developing countries that so wish, and will also do so if Swedish businesses express an interest in investing in a country and a need for such an agreement. In 2005, Sweden has negotiated with Ghana, Uganda, Iran, Armenia and other countries.

Objective: to strengthen the contribution of Swedish investments and Swedish trade to equitable and fair global development in developing countries.

If the effects on development of Swedish investments and Swedish trade are to be the greatest possible, it is important that investments are regarded as environmentally, socially and economically stable. The Government is working to encourage businesses to further integrate social and environmental aspects into their trade relations, *inter alia* through the Partnership for Global Responsibility Secretariat at the Ministry for Foreign Affairs. Foreign missions have an important role in informing businesses about the situation in a country, with regard to e.g. respect for human rights, shortcomings in the judicial system and the presence of corruption or child labour.

- Sweden is the biggest financial backer of the UN's Global Compact and has pushed hard to strengthen the development dimension of the initiative, particularly the local networks in developing countries. Sweden also supports the work of the International Standardisation Organisation (ISO) to produce international guidelines for social responsibility.
- To enable Swedish missions abroad to work more efficiently on development and rights issues and integrate them into their work – including their work to promote Sweden – regional training courses on the policy for global development have been held, for example at the Hanoi and Pretoria embassies.
- Sweden's Embassy in Pretoria has worked with the Swedish Trade Council to integrate information about *Black Empowerment* into their information to, and cooperation with, Swedish companies operating and investing in South Africa.
- Sweden's Embassy in Beijing has carried out a number of activities designed to improve the dialogue between Swedish and Chinese companies and public agencies on the issue of corporate social responsibility.
- The Partnership for Global Responsibility carries out extensive information work through e.g. a seminar series and a website. The initiative is based on the OECD Guidelines for Multinational Enterprises and the principles of the UN Global Compact.
- During the WTO ministerial conference in Hong Kong in December 2005, Sweden hosted a seminar on how respect for basic rights can help make companies and countries more competitive.
- The Swedish Export Credits Guarantee Board (EKN) applies the OECD's action plan on export credits and bribery, and informs its

customers about the Swedish Partnership for Global Responsibility and the OECD Guidelines for Multinational Enterprises. It also makes allowances for the heavily indebted least developed countries when issuing credit guarantees. As result, Swedish government assistance and export credits and guarantees extended to developing countries contribute to favourable social and economic development in these countries. One challenge is how to further integrate environmental and social aspects into the assessments.

- The Government has tasked the EKN and the Swedish Trade Council with developing the work on ethical issues in line with the Partnership for Global Responsibility initiative and the OECD Guidelines for Multinational Enterprises.
- According to an action plan against corruption, produced in 2005, the Ministry for Foreign Affairs is to work to ensure that Swedish investments and companies do not underpin corruption.
- In international purchasing rounds of development projects in *inter alia* the energy and environmental sectors, the Government works to establish contacts and build relationships to enable Swedish know-how to help make the projects environmentally sound and socially and economically sustainable.

International trade

Greater openness towards the world around them has been a determining development factor in many of the countries that have most successfully reduced poverty in recent years. Freer trade, and the developing countries' growing capacity to reap its benefits, is therefore one of the most effective instruments in the work to achieve equitable and sustainable global development.

According to the UNDP's calculations, the industrialised countries' trade barriers cost the developing countries USD 100 –150 billion a year, which is double the amount of all global development assistance. One great obstacle to growth in the trade of many developing countries is industrialised countries' trade barriers on agricultural and textile products, and their agricultural subsidies. Overall, the industrialised countries spend more than USD 300 billion a year supporting their own farmers and protecting them from outside competition. The developing countries can influence the agricultural policies of the industrialised countries through collaboration and multilateral agreements. Without these opportunities – for example, within the framework of the WTO – these countries would have almost no chance of making themselves heard.

Ongoing trade negotiations within the framework of the WTO's Doha Round are of great strategic importance for the global economy on the whole, but also of special importance to the developing countries since one of the overall objectives of the negotiations is that the result is to promote development. The great gains that the developing countries stand to make are in the core negotiations on agriculture, industrial commodities and services. Sweden regards the negotiations as crucial to the implementation of the policy for global development.

Customs tariffs and trade-distorting subsidies are falling successively and the challenge to the developing countries is increasingly to meet demands on the international markets for the quality and safety standards of products.

Objective: that poor countries will have greater access to the markets of OECD countries, above all for goods and services that are particularly important to them.

The Government works to ensure that both EU decisions and domestic decisions on trade rules are as development-friendly as possible. Access to markets through reduced customs tariffs is an important part of the WTO negotiations, and has proven able to generate great benefits for the developing countries.

- In the ongoing WTO negotiations, Sweden has pressed for reductions in rich countries' customs barriers and trade-distorting agricultural subsidies. This helped bring about the decision at the December 2005 WTO ministerial conference in Hong Kong that export subsidies on agricultural products are to be abolished by the year 2013.
- Access to the industrialised countries' markets for industrial goods is also important to many developing countries. Prior to and during the December 2005 WTO ministerial conference in Hong Kong, Sweden was proactive in pressing for tariff-free and quota-free access to the markets of all industrialised countries for the least developed countries. The negotiations resulted in a decision that 97 per cent of all products are to be granted this status.
- The Swedish Board of Agriculture carries out ongoing analyses prior to discussions on agricultural issues with other EU countries during the WTO negotiations. Through these actions, Sweden has been able to show that the vulnerability of EU producers in relation to the liberalisation of "sensitive products" is not anywhere as great as feared by the producers.
- In the General Agreement on Trade in Services (GATS) negotiations, Sweden is working to ensure that more undertakings will be made in sectors and modes of delivery that are of particular interest to the developing countries, above all with respect to temporary movement of persons. Furthermore, Sweden is working to ensure that the developing countries can be more involved in the negotiations and that the countries' individual level of development is taken into account.
- Sweden is working actively to ensure that negotiations on the European Economic Partnership Agreements between the EU and the ACP (African, Caribbean and Pacific) countries are clearly characterised by a close link between trade and development, thus promoting the development dimension. This takes place through ongoing work and contact in an informal network between EU member states and the various Directorates of the European Commission.

- Sweden is working actively to establish mutually beneficial tax agreements with developing countries to stimulate greater trade exchange with these countries.
- Prior to the ministerial conference in Hong Kong, the Swedish National Board of Trade carried out an extensive study of the development aspects of the Doha Round, including what is needed if the future results of the negotiations are to be development-friendly. This is used as one of the bases of Government policy in the field of trade.

Objective: that developing countries will be able to derive greater benefit from existing market access and take a more active part in international trade negotiations.

Greater market access is a necessary, but inadequate, condition if the developing countries are to boost their trade with other countries. The Swedish National Board of Trade has recently studied the degree of use of the EU's preferential systems for the least developed countries, the "Everything but Arms" initiative. The report shows that many developing countries, despite the absence of customs tariffs, cannot derive benefit from existing market access. Sweden has worked in various ways to improve the capacity of developing countries in trade, and gives priority to development issues in the WTO work.

- In 2005, Sweden has built up and established a contact point function for exporters from developing countries, Open Trade Gate Sweden. Over 200 queries about EU and Swedish import regulations have been received and answered.
- Sweden supports trade-related capacity building, *inter alia* through support to local and regional standardisation organisations (such as the African Organization for Standardization) to help producers in developing countries meet the international market's product standards and to influence the design of these standards. Sweden also supports the capacity building of developing countries in the fields of SPS and TBT (Sanitation and Phytosanitation, and Technical Barriers to Trade) to improve their chances of complying with the standards and regulations of the industrialised countries.
- The Swedish representation in Geneva has played a decisive role in the initiative Aid for Trade and Integrated Framework, processes which have been of key importance prior to and after the ministerial conference in Hong Kong.
- Sweden is one of the biggest contributors to the Integrated Framework (IF), a coordination mechanism between the IMF, the International Trade Centre (ICT), UNCTAD, UNDP, the World Bank and the WTO. The purpose of the IF is to assist developing countries in their work to create development-friendly trade strategies, integrate these into their national strategies for poverty reduction and strengthen donor coordination in the implementation of trade-related aid contributions. Sweden has additionally led donor coordination in 2005.
- To boost understanding of the developing countries' interest in trade negotiations, the Nordic countries have launched an initiative with

the intention of promoting the dialogue between the Nordic countries and a group of African countries on trade and development. A ministerial conference took place in 2005 in Dar es Salaam, Tanzania, which was followed by a further meeting in Hong Kong at the time of the WTO's ministerial conference in December 2005.

- Sweden is the biggest contributor to the WTO's fund for trade-related aid and a significant contributor to a number of organisations in Geneva. This is to help promote the developing countries' ability to safeguard their interests in international trade negotiations and benefit from trade opportunities.

Objective: that the EU's Generalised System of Preferences (GSP) for exports from developing countries to the EU, and the EU's preferential rules of origin for developing countries, will be more development-friendly.

If customs preference systems are to promote development in the long term, they must not lead to lock-in effects, or make countries unduly dependent on individual export goods.

- During the sugar reform, Sweden has pointed to the risks of very high levels of support in that they can lead to dependency on individual goods despite the fact that there are no real comparative advantages.
- During the 2005 renegotiation of the EU's General System of Preferences (GSP), Sweden worked actively to make the system simpler and more generous so that customs preferences could be utilised more than they are today. The final result saw an increase in the range of products, so that more products can receive preferential treatment and a number of developing countries can become exempt from customs duties, depending on whether they have ratified and implemented international conventions in the field of environment and labour law.

Objective: that the framework for trade between developing countries will improve

Trade barriers to industrial commodities are on average three times as high in the developing countries as they are in the OECD countries. Two thirds of the customs barriers encountered by developing countries' exports are those of other developing countries. For example: customs tariffs on industrial commodities are five times as high in South-east Asia as they are on the same goods in the industrialised countries. Reducing trade barriers between developing countries can therefore be extremely important for growth and poverty reduction.

- In the WTO negotiations, Sweden has acted to ensure that exports from the group of least developed countries will be tariff-free and quota free in all industrialised countries, and as far as possible to the more developed developing countries (such as Brazil and China), particularly for those products that are important for poorer developing countries.
- Sweden is acting to ensure that preferential rules of origin are drawn up in a generous fashion that enables long-term sustainable

production. More generous preferential rules of origin would allow an increase in south-south trade (as trade between developing countries is called).

- Negotiations between the EU and the ACP countries take place in regional groupings determined by the ACP countries themselves. These groups are thereby regional free trade areas. Sweden is pressing for the agreement to be drafted in a way that promotes trade within each region.

Objective: to eliminate all EU trade-distorting export subsidies in the agricultural sector and phase out all trade-distorting internal subsidies.

The EU member states are covered by a Common Agricultural Policy, and the Commission has almost exclusive competence in the field of trade policy. Sweden's positions on trade and agricultural issues are guided by the interests of the poorest countries. Sweden is pressing to ensure that the EU's policy will be more development-friendly.

- Crucial decisions in the WTO negotiations will be made in 2006. By consistently pushing for changes that promote free trade and development, Sweden has gained the confidence of developing countries as well as richer countries. Swedish strategies and actions in agricultural negotiations are discussed in the Ministry of Agriculture's WTO working party which includes representatives of various government ministries, Sida, the National Board of Trade, the Board of Agriculture and others.
- Sweden pushed for reform of the market regime for sugar, which resulted in an almost 40 per cent reduction in the price of sugar and sugar beets over the next four years. This will reduce excess EU production and favour more competitive products in the developing countries. The European Commission has launched a support plan to deal with the problems that the reform will create in those ACP countries that have hitherto been able to sell to the EU at European market prices.
- Since its entry into the EU, Sweden has sought the removal of customs quotas for bananas, to improve the terms for all competitive producers, most of which are in the developing countries. Sweden has in recent years actively influenced the positions of a number of other EU countries by providing them with analyses that recommend lower support and protection of e.g. bananas and rice, in favour of the exports of developing countries.
- One of the results of the WTO ministerial meeting in Hong Kong in December 2005 was an undertaking that the industrialised countries will eliminate export subsidies and heavily reduce internal subsidies, and provide the developing countries with free market access for cotton. Sweden has actively supported this demand since it was launched by the cotton-producing African countries in 2004, not just in the negotiations but also in the form of financial support to allow the countries to participate effectively in the negotiation process.

Objective: that high tariffs will be cut back, non-tariff barriers to trade lowered, and trade-distorting and resource-affecting subsidies in the fisheries sector eliminated.

Skr. 2005/06:204

This year, important progress has been made in the WTO negotiations on fishing subsidies. The mandate for negotiation now stipulates that the negotiations are not just intended to prohibit trade-distorting fishing subsidies, but also subsidies that undermine sustainable fishing.

- Sweden supports the work to achieve a final result in the WTO negotiations that promotes both the developing countries' opportunities to trade on fair terms and better management of resources.
- In the EU, Sweden is arguing for improved market access for fishing products so that the developing countries will be able to boost the value-added of their fishing exports, something which is extremely important to several developing countries.

Objective: that regulations on food safety, animal protection and value-added labelling will distort trade as little as possible without compromising existing requirements on safety, environmentally sound production, animal protection, or opportunities that value-added labelling provides to the aware consumer to shop more selectively.

Sweden is pressing for international harmonisation of food standards and support of the efforts by developing countries to develop reliable institutions for food standardisation, testing, inspection and certification. The Swedish position is that rules and standards should be designed so that they fulfil their purpose at the same time as they have the least possible trade-distorting effect. Among other things, Sweden is a supporter of the Codex Alimentarius, which is a joint FAO-WHO programme for the harmonisation of food standards, as well as the efforts of the International Plant Protection Convention and the World Organization for Animal Health to harmonise veterinary and plant protection standards. Sweden also supports the Global Ecolabelling Network (GEN), an association of ecolabelling organisations working together for mutual recognition and use of ecolabelling criteria, something which will improve the market access of producers in the developing countries on the same terms as producers in rich countries.

- Under the auspices of the work on a European action plan for organic foodstuffs and organic farming, Sweden has worked to amend the current directive on organic farming, *inter alia* to facilitate import from the developing countries. As a result of the action plan, the European Commission in December 2005 presented a proposal for a new directive on organic production, one of the objectives of which is to facilitate import of organic products from third countries.
- Sanitary and phytosanitary regulations are one of the areas that pose the greatest obstacles to export from the developing countries. The regulations for how measures are to be implemented so that they are not more trade-distorting than necessary are to be found in the WTO's SPS agreement, which regulates sanitary and phytosanitary issues. Sweden is pushing for international harmonisation of the

regulations and at the same time supporting the developing countries in their efforts to develop skills in the SPS field.

- In 2006, the plant protection standardisation organisation has adopted a new standard for establishing zonal freedom from fruit flies, something that can be very important in allowing many developing countries to export fruit. In the EU, Sweden has actively participated in and supported the drafting of this standard.
- Sweden carries out extensive development cooperation work so that internationally harmonised rules and good market access can be supplemented by effective national structures that are able to control quality and product safety, so that the developing countries will be able to fully reap the benefits of export opportunities.

Objective: That Sweden's and the EU's multilateral and bilateral trade agreements will be drawn up in a way that identifies and deals with the gender equality aspects of the agreements.

- In its communication *Greater welfare and global development – Swedish trade policy in the WTO's Doha Round* (Government Communication 2005/06:9), the Government draws attention to the work of integrating a gender perspective into the EU's regional and bilateral agreements.
- On the assignment of the Government, the National Board of Trade has carried out an analysis to produce indicators and proposed objectives for the EU's and Sweden's actions on gender mainstreaming of association and free trade agreements. The report *Gender and gender equality aspects of regional and bilateral free trade and association agreements* was submitted to the Government in September 2005, and was presented at the seminar held in the Riksdag in October 2005 on women's rights and opportunities in global trade.

Objective: that international regulations on patents and other intellectual property rights will be flexible, so as to meet the special needs of developing countries.

The TRIPS agreement (Trade Related Aspects of Intellectual Property Rights) is part of the WTO body of regulation, and apart from undertakings on equal treatment, it stipulates minimum standards for the protection of intellectual property rights. The flexibility of the TRIPS agreement enabled the 2003 decision on TRIPs and health and the 2005 implementation of that decision. The decision enables the mandatory licensing of drugs in countries with acute public health problems, and export of copies to countries that have no manufacturing capacity.

- In the WTO as well as the World Intellectual Property Organization (WIPO), Sweden is a proponent of the use of the TRIPs agreement's flexibility to safeguard the interests of the developing countries.
- Sweden supports an umbrella organisation for development-focused NGOs (South Center) that has become involved as a think-tank on TRIPs issues.

Objective: to constructively respond to the developing countries' demands for new forms of protection of traditional knowledge and folklore.

Skr. 2005/06:204

- Within the framework of the WIPO, the Government is working on the issue of new forms of protection for experience-based knowledge and folklore, in response to the developing countries' demands for this. The issue is also being discussed in the WTO/TRIPs under the Doha mandate, and Sweden is pushing to find constructive solutions and to accommodate the developing countries' wishes in this issue.

3.2.3 Social development and social security

Good health, education and social security improve people's chances of lifting themselves out of poverty, achieving lasting improvements in their lives and taking an active part in the discussions and decisions that materially affect their circumstances.

Globalisation, migration and social development

Globalisation impacts on people. Greater exchange between countries affects the structures of societies and production, as well as the prerequisites for people's lives, wherever they are. It also creates greater opportunities and incentives for poor people to move, find better ways of earning their living, more secure surroundings, greater self-determination or new influences.

At the same time as the greater range of goods, services and ideas between actors in different countries offers great opportunities for global development – not least for the poor – globalisation can also pose problems for some countries or groups, above all in the short term during the development of new production structures. There is concern that growing competition between countries can lead to deterioration in environmental and working conditions. At the same time, a number of countries have seen an opportunity to improve their competitive position by profiling themselves as countries with good working conditions. Demands on the part of consumers, shareholders, and employees in richer countries have also led many companies to assume social responsibility in countries with extensive workplace and environmental challenges. Such voluntary undertakings are important supplements to the efforts of the countries themselves to develop policies for good working conditions and effective environmental policy.

Objective: that knowledge of the link between migration and development will be strengthened, nationally and internationally.

Sweden is working to improve coordination within the UN system and between the UN system and the International Organization for Migration (IOM) to ensure that follow-up of the report produced by the Independent Global Commission on International Migration (GCIM) will be effective and result-oriented.

- The IGCM, initiated by Sweden and Switzerland, submitted its final report in October 2005. The report reflects the holistic view of international migration that Sweden works to promote, with focus on poverty reduction, human rights, employment, decent working conditions and gender equality.
- A research study has been produced on the assignment of the Government which highlights the effects of international migration on the developing countries. The report, *Towards a Migration Strategy for Development*, was submitted in February 2006 and includes proposals for how the links between migration policy and Sweden's policy for global development can be strengthened.
- Within the EU, Sweden actively promotes the link between migration and development, which *inter alia* resulted in a communication from the Commission on the issue in September 2005.

Objective: that mobility of labour will bring benefits to the developing countries in the form of greater inflows of capital and knowledge.

- Each year, people from developing countries who work abroad send large sums home that benefit their families, relatives and the community at large in their home countries. This money constitutes a significant part of the GDP of many countries and also provides foreign currency. Within the EU, Sweden is pressing for the creation of a regulatory framework for a well-functioning payment market with cheap, efficient and safe payment services that make it easier for migrants to transfer funds to their families in their home countries.
- The Committee on Labour Immigration (KAKI), which has been tasked with reviewing existing regulations with a view to allowing greater labour immigration, reported in its interim report in May 2005 (SOU 2005:50) that migration in the long term probably has a positive effect on skills, because migrants return home (temporarily or permanently) with new knowledge and other valuable experiences, but that emigration from developing countries can in the short term lead to the loss of skills in these countries.

Objective: to identify long-term solutions for problematic refugee situations.

The Convention Plus process, which aims to promote lasting solutions to problematic refugee situations through better allocation of responsibility, was launched by the UN High Commissioner for Refugees (UNHCR) in 2002. Since the start, Sweden has been a participant in the work and development of the process, and has *inter alia* stressed the importance of the policy work being followed by concrete programmes in the field. This will now happen, as the Convention Plus work is to be integrated into that of the UNHCR. The issues will of course continue to be discussed centrally within the UNHCR's Executive Committee. Sweden has been an active supporter of these discussions.

- Sweden is pressing for more intensive EU efforts to find lasting solutions to refugee situations in other parts of the world. Sweden's

work was one of the factors that resulted in the EU in 2005 developing its protection programme in collaboration with the UNHCR.

- In 2005, the European Commission, on the assignment of the member states, issued a communication on developing regional protective programmes together with the UNHCR. The goal is to contribute to realisation of one of the three permanent solutions – repatriation, integration into the host country or resettlement. After pilot projects in the Ukraine, Moldavia and Belarus, implementation of which is planned for 2006, the work will be evaluated and solutions identified, *inter alia* to see whether it is possible to work for resettlement measures at EU level.
- In Sweden, the Government has allowed the strategic use of resettlement to help solve protracted refugee situations. The Swedish Migration Board will identify these situations with the aid of the UNHCR. Sweden has in various forums welcomed the UNHCR's greater focus on strategic resettlement and has emphasised the importance of the UNHCR and the traditional resettlement countries having broad discussions of concrete examples where strategic resettlement might be in question.

Objective: that women and children who are victims of human trafficking for sexual purposes are provided with rehabilitation and safe return.

- Sweden has initiated and developed a three-year Nordic-Baltic project for the support, protection, safe return and rehabilitation of women who have become victims of human trafficking for sexual purposes. The project is led by the European women's lobby and its objective is to improve and strengthen capacity and develop models to support victims in the Nordic and Baltic countries, and facilitate a safe return home and reintegration for victims who wish to return to their countries of origin.

Objective: to strengthen the ability of poor countries to deal with new environmental and workplace standards and reduce the risk that lack of regulation could be used as a competitive advantage.

Sweden is working to ensure that the EU's regional and bilateral agreements will help countries comply with international social and environmental standards. The European Community (EC) trade agreement with Chile includes these areas. The EC's current relationship to the ACP countries is based on broad cooperation that includes the environment and the rights of workers. This is followed up in the ongoing process by partnership agreements.

- During the WTO ministerial conference in Hong Kong in December 2005, Sweden stressed the importance of according social issues a more prominent role in investment and trade. Sweden's work to promote the social responsibility of Swedish companies is based on

international conventions, such as the ILO's Declarations on Fundamental Principles and Rights at Work.

- The Government is currently revising the Swedish manual on OECD Guidelines for Multinational Companies and has actively pushed for the introduction of a clause in the EU's bilateral and regional agreements stating that it is unacceptable that environmental or health standards are reduced or basic human rights in the workplace disregarded with the aim of attracting investment. With the framework of an OECD project on international investment agreements, Sweden has supported the same principle and has won acceptance for further work on clauses about working conditions and social and environmental issues. Sweden has also worked to draw up proposals for how bilateral free trade agreements can be written to promote respect for human rights at work, gender equality, and the work of partner countries to protect the environment.
- The field of working conditions is part of the text of the agreements that are the subject of ongoing negotiations on association agreements with Serbia-Montenegro and Bosnia-Herzegovina.

Public health policy in a global perspective

Public health is an integral part of the work to reduce poverty and promote social and economic development in the very poorest countries.

Objective: to reduce the incidence of infectious diseases.

Those who are primarily at risk from infectious diseases are the world's poor. Cramped living conditions help spread disease and poor people are less able to take protective measures to combat infection and receive care if they are affected. The financial consequences of an epidemic like bird flu are considerable for small farmers whose exports can be further cut by global outbreaks.

- In December 2005, the Government adopted a strategic plan of action for Sweden's contribution to the global fight against infectious disease (2006–2008), which is based on the proposals in the 2005 report SOU 2005:107.
- Sweden has been an active contributor to the WHO's revised international health regime that was adopted by the World Health Assembly in May 2005. The regulations come into force in 2007 and create a global system for monitoring severe outbreaks of disease and the risk of their spreading.

Objective: to counteract resistance to antibiotics and promote development of drugs that are important for development but not commercially interesting, such as antibacterial drugs and HIV vaccines.

- Sweden is proactive within the EU and WHO, among other things through having initiated a resolution on antimicrobial resistance which was adopted by the World Health Assembly in May 2005. The

Government intends to closely monitor implementation of the resolution.

- In its Bill *Strategy for collected work against antibiotics resistance and care-related disease* (Govt. Bill 2005/06:50), the Government makes clear that Sweden has a global focus in its antibiotics resistance work. The same applies to the Bill *National Strategy against HIV/AIDS and certain other infectious diseases*, where Sweden describes its willingness to further develop international cooperation (Govt. Bill 2005/06:60).

Objective: to improve access to safe medicines at reasonable prices in developing countries, primarily for the treatment of public health problems such as HIV/AIDS, tuberculosis, malaria and other epidemics.

- Sweden has pushed within the EU for the implementation of the 2003 WTO decision on TRIPs and health. A proposed directive was submitted at the end of 2004, and agreement reached in 2005 between the Council and Parliament about the directive. The directive allows the manufacture of drugs with the help of a compulsory export license to countries with public health problems (such as HIV/AIDS and malaria) on the condition that these countries lack the capacity to manufacture drugs themselves.

Objective: to bring Swedish know-how and expertise to bear on public health policy work in developing countries.

- Sweden was actively involved in the preparation and implementation of the WHO's sixth global conference on public health, held in Bangkok in August 2005. The programme was based on the determinants of health, and one of its models was the Swedish public health strategy.
- Sweden gives high priority sexual and reproductive health and rights (SRHR), such as the ability of women and girls to make decisions concerning their own bodies and on issues related to sexuality and childbirth. Sweden is an active supporter of proposals in the Millennium Project report to establish a new interim target for reproductive health under Millennium Development Goal 5 on improvement of maternal health. In April 2005, the Ministry for Foreign Affairs and the UN Population Fund jointly arranged an international meeting of experts in Stockholm on investments in reproductive health and rights. The meeting resulted in a document: *The Stockholm Call to Action: Investing in Reproductive Health and Rights as a Development Priority*, which provides important guidance for the dialogue with other countries and with organisations. New guidelines for Sweden's international work on SRHR issues were adopted by the Government in December 2005.
- A special Health Forum has been established under the South Africa–Sweden Bi-National Commission (BNC). Its purpose is to provide political support for long-term cooperation in key areas of concern in the public health sphere. An important task of the Health Forum is to

build close cooperation between Swedish and South African health authorities, institutions and researchers. Skr. 2005/06:204

Objective: to reduce the harmful effects of alcohol at global level.

- Sweden played a proactive part in the WHO in drafting a resolution on alcohol. The 2005 World Health Assembly adopted a resolution one of whose objectives is to develop and spread knowledge-based methods of preventing the medical and social harm done by alcohol, assess the scope of the problem and develop global information systems.

Objective: to reduce global consumption of tobacco, which is an accelerating threat to the health and economies of the developing countries.

- In October 2005, Sweden acceded to the WHO Framework Convention on Tobacco Control, and will be an active participant in the Conference of Parties on implementation of the Convention. To support tobacco prevention and tobacco control in poor countries, the WHO's existing "Tobacco Free Initiative" will be used in other regular national and multinational mechanisms. The objective of this is to integrate tobacco control and prevention into the regular work with additional focus on the poor countries.

Education and learning for global development

Education and research play a vital part in achieving the goal of promoting equitable and sustainable global development. In Sweden, efforts are made to promote knowledge of global development among children, adolescents and adults and to encourage active commitment to global development. At international level, Swedish policy helps promote education and research in developing countries.

Objective: that Swedish education will help improve knowledge of global issues.

- Based on the UN's Declaration on Education for Sustainable Development, the Government is working to integrate a sustainability perspective into the entire educational system. In February 2006, the Government adopted new programme objectives for upper secondary school, in which sustainable development and the international perspective have a clear role. The new programme objectives will be applied to courses begun after 1 July 2007.
- The Global School programme, a cooperation project between the Swedish National Agency for School Improvement and Sida, has been strengthened and its target groups extended to include nine-year compulsory school, upper secondary school and adult education.

- The National Agency for School Improvement has developed forms of cooperation between vocational upper secondary programmes in Sweden and some developing countries.

Objective: to highlight the global dimension in the activities of universities and other higher education institutions.

- The Linnaeus-Palme national exchange programme for exchange with developing countries has expanded considerably in recent years.
- In its research bill, *Research for a better life* (Govt. Bill 2004/05:80) in March 2005, the Government described research in support of sustainable development as one of the three priority areas for research.
- Since February 2006, the Higher Education Act (1992:1434) has contained a regulation that higher education institutions are to promote sustainable development, meaning that current and future generations are to be ensured a healthy and good environment, and economic and social welfare and justice.

Objective: achievement of the Millennium Development Goal that by 2015 children everywhere will be able to complete a full course of primary schooling and to eliminate gender disparity in primary and secondary education.

- Sweden co-chairs two global initiatives: the Fast Track Initiative and the UN Girls' Education Initiative. Sweden is also an active participant in ongoing reforms of UNESCO procedures.

3.3 Conflict management and security

Sweden is active in international policy organs such as the UN, the EU, the Partnership for Peace (PfP) and the Organisation for Security and Cooperation in Europe (OSCE) to prevent armed conflict, and also contributes personnel to peace-monitoring and peacekeeping missions and missions to implement peace treaties. Measures to prevent conflict, manage crises and promote lasting peace must include clear development and rights perspectives. In recent years, international peace-support initiatives have changed in character: they now include not only traditional security-enhancing measures but early peacebuilding efforts too. This is a result of conscious efforts to adopt an integrated approach to the promotion of peace in which a long-term view of development and reconstruction play a central role. The work in a post-conflict situation of disarming, demobilising and reintegrating warring parties can help create the political conditions for a peace process. Initiatives relating to the rule of law, including the strengthening of institutions (including legislative measures) and reform of the security sector, are crucial to the creation of security, freedom and sustainable development.

Objective: to achieve greater national and international coherence and collaboration between security and development policy.

Skr. 2005/06:204

Coherence assumes analysis of the link between security and development, and that measures for stability, security and sustainable development within the pertinent policy areas are chosen with a view to their supplementing and strengthening each other. Analysis and action in the fields of security and development require knowledge, understanding and sensitivity to each other's disciplines.

- Sweden works at international level by pressing the issue of coherent action in all relevant international forums, for example in the planning of the EU's civilian-military missions. Another example is the work in the OECD's Fragile States Group (FSG) where Sweden is participating in a study of coherence in practice.
- In country-specific measures, Swedish work takes place in interdisciplinary working groups and special interdepartmental consultation groups have been established in the Government Offices for this purpose.
- The Government's Expert Group for Development Issues (EGDI) has analysed the links between security and development. An interdepartmental working party in the Government Offices is now working to convert the conclusions of the study into practical measures.

Objective: to strengthen the institutions of fragile states.

"Fragile states", meaning states that suffer from a great lack of institutional resources and which cannot provide for the basic rights and needs of their citizens, are potential sources of conflict. There is an intensive ongoing international debate emphasising the importance of preventive work in fragile states. The Paris Agenda stresses that it is possible to carry out effective development cooperation work in fragile states with the objective of harmonisation and alignment. It does, however, require adaptation to the special circumstances and requirements of the fragile state. The work must also focus on establishing state structures that can meet basic needs and maintain internal and external security, while respecting basic rights.

- Sweden is an active participant in the work of the OECD Fragile States Group with the objective of identifying and developing methods for coherent action with respect to fragile states. Sweden is also participating in a study which is analysing Sweden's interdisciplinary action in Sudan.

Objective: to improve international conflict management capability at every stage of a conflict.

Sweden is strongly committed to crisis and conflict management and works actively within the UN, EU, OSCE and NATO/PfP to strengthen the capacity of these organisations to manage civilian and military conflicts. Over and above this, Sweden contributes to the peace-promoting measures of these organisations through military units and

experts, police and other civilian experts in the judicial, rescue and human rights fields. Sweden wishes to realise the ambition of better multifunctional measures, better coordination between civilian and military actors and a better transition from peace-promoting to peacebuilding measures and from acute crisis management to long-term reconstruction. International peace-promoting measures often have a broad mandate to promote the reconstruction of social structures, support judicial reform and reform of the security sector, and contribute to reintegration of former combatants into the civilian community. More restricted security-promoting measures are important from a development perspective, since they can allow other organisations to participate.

- In 2006, the budget for international peace-promoting troop missions was increased. There has been a qualitative and quantitative increase in participation in the missions, enabling participation in the EU's military rapid response force and continued commitment to more long-term measures under the auspices of the UN and other regional organisations. Sweden currently has troops in peace-keeping measures in northern Afghanistan (ISAF), Liberia (UNMIL), Bosnia-Herzegovina (Althea) and Kosovo (KFOR).
- In March 2006, Sweden took over command of a regional ISAF unit. This mission is an example of the new type of conflict management mission where there is a clear link between security and development and where the objective is to create the security that is necessary for the measures for long-term development to be implemented. The regional unit includes military and civilian personnel, including an advisor in development issues. This represents a stepping up of the ambitions of the Swedish contribution to ISAF and the Swedish contribution to peace and reconstruction in Afghanistan.
- Sweden contributes to a number of peace-promoting measures with a combination of different measures from different policy areas. In Sudan, military experts and police are participating in the EU's mission to support the African Union in Darfur, as well as the UN mission in the southern part of the country. Sweden also provides financial support. There is similar broad Swedish involvement in Liberia and the Democratic Republic of the Congo.
- Sweden contributes observers, logistics and logistics experts to the EU civilian observer mission in Aceh in Indonesia, which has the task of monitoring the cease-fire agreement between the Indonesian government and the GAM movement.
- Sweden will contribute personnel to the EU's rapid response force. Preparations for this continued in 2005 and the force will be ready in the first half of 2008.
- Sweden is proactive in international forums concerning the importance of a functioning police force and other judicial and public administration measures as important instruments in the civilian parts of conflict management. Sweden is also an active contributor to conceptual development of civilian capacities for international conflict management.
- In the EU, Sweden has been proactive in proposing civilian rapid response groups. The EU has decided that this civilian capacity is to

be in place from 2007. Sweden has nominated 20 experts to the rapid response groups from Sida, the National Police Board, the Economic Crimes Bureau, the National Courts Administration, the Prisons and Probation Service, and the Swedish Rescue Services Agency.

- Sweden contributes military observers to the majority of the UN's missions. In total, about 45 military observers are involved. Sweden also contributes police to peacekeeping missions, primarily under the auspices of the UN, EU and OSCE, in the Democratic Republic of the Congo, Sudan, Liberia, Kosovo and Palestine. In 2005, a total of 200 police took part in 18 missions in 14 countries.
- Together with the other Nordic countries and Iceland, Sweden is a contributor to security sector reform in Bosnia-Herzegovina and Serbia-Montenegro. These measures involve support for the construction of a functioning police force in Sarajevo, and retraining of former soldiers to civilian occupations in Serbia and Montenegro, as well as advice on border monitoring.
- In 2005, the Swedish Rescue Services Agency carried out humanitarian mine management work in Afghanistan, Eritrea, Russia, Sudan and Somalia. After a decision by the Riksdag, the SRSA will boost its international capacity from 2006 and will take a greater part in capacity-building work in developing countries that are vulnerable to disaster.
- Sweden also extends support to regional and subregional organisations, not least in Africa, for capacity-building purposes and for peace- and security-building activities. A working party has been formed under the auspices of the Swedish-South African Binational Commission to discuss ways of cooperating to promote peace and security, primarily in Africa. A meeting was held in 2005 and there is mutual interest in continued discussion.

Objective: to narrow the gap between emergency crisis management and humanitarian operations and peace-building, and long-term development.

Sweden is an active promoter of an integrated approach, particularly within the EU and the UN, to ensure that development expertise will be an integral part of the initial planning of all multifunctional mandates.

- To bridge the gap between peace-promoting measures and more long-term development work, Sweden has pushed for the UN to form a Peace-Building Commission. This has now taken place. The Commission has a central role in narrowing the gap between emergency crisis management and long-term peace-building work, and Sweden will participate in and contribute to this work in various ways.
- In the autumn of 2005, the Government presented a study on the link between security and development. The study underpins the Government Offices' in-depth discussions and proposed measures. An interdepartmental working group has been created to strengthen the Government Offices' coordination of the development of policy for civilian and military conflict management.

- Through the Folke Bernadotte Academy, Sweden has coordinated the international project Challenges of Peace Operations, in which governments, organisations and public agencies from 14 countries have drawn up concrete recommendations for how multifunctional measures can be implemented, how personnel can be prepared and how cooperation can be improved between the UN and regional actors.
- Within the EU, Sweden has been proactive in pressing for greater civilian-military cooperation in both planning and implementation of missions, and has pushed for a conceptual agreement on measures for security sector reform.
- Sweden is a promoter of policy development for disarmament, demobilisation and reintegration into the community of former soldiers (DDR). Recommendations have been produced to strengthen international DDR work within the “Stockholm Initiative”, an international process in which 26 countries and 23 organisations have participated. One of the central conclusions is the importance of integrating DDR issues into the overall peace process. Other Swedish activities that are relevant in this context include courses at the Swedish National Defence College and Swedish support for DDR processes in, for example, Liberia.

Objective: to help reform and strengthen developing countries’ security sectors where this is a key to better governance.

Development work and the fight against poverty risk being undermined unless a country’s security situation, and the need to secure a stable and democratically-led security sector, are taken into account at the same time. In many cases, widespread Security Sector Reform (SSR) is necessary. Sweden works to formulate policy, develop methods and chart resources, and to boost its involvement through concrete action in the SSR field. The work touches on a large number of policy areas, such as foreign and security policy, defence policy and development cooperation. Resources and skills from e.g. the defence sector can help in various ways to create a secure environment that encourages development, poverty reduction and democracy. During a conflict and in its immediate aftermath, resources from the defence sector have traditionally had an important short-term role in the creation of stability and security.

- Sweden is preparing to increase its commitment to SSR in Liberia. Liberia has been chosen as a pilot country for extensive Swedish commitment and coherent analysis in 2006–2007.
- Sweden is working to strengthen and deepen security-promoting collaboration with Russia, the Ukraine, Georgia, Moldavia, central Asia and the Balkans, and support to these countries. One example worthy of mention is the Nordic Initiative, which provides a framework for coordination, further development and deepening of the cooperation of the Nordic countries with the western Balkans in the SSR field. The initiative has grown in scope throughout its first year and can probably be deepened further.
- Sweden supports the Afghanistan National Army’s security reform through contributions to special groups created within the ISAF.

Objective: to mainstream a gender equality perspective into military and civil international crisis management programmes, and to promote the active participation of women in conflict management and peacebuilding efforts.

Skr. 2005/06:204

Sweden is actively backing efforts to apply the 2000 UN Security Council Resolution 1325 on women, peace and security, and to strengthen the gender perspective in all peace-support initiatives, boost the participation of women in peace processes and improve the protection of particularly vulnerable women and girls.

- In order to intensify application of resolution 1325, and more clearly mainstream the gender perspective into peace and security work, the Government Offices has created an interdepartmental working party. It is to present a national plan of action in 2006, which sets out Swedish implementation measures on three levels: nationally, in European security and defence policy, in other regional organisations and Nordic cooperation, and globally in the UN.
- Sweden is also actively pursuing the implementation of UN Security Council resolution no. 1325 in OSCE. The OSCE ministerial meeting in Ljubljana in December 2005 adopted a resolution on women in preventive conflict management and in post-conflict rehabilitation. The decision has its origins in the Swedish initiative launched at the annual OSCE security review conference in 2004, which was followed by a popular 1325 seminar arranged by Sweden in Vienna in June 2005.
- In November 2005, the EU member states agreed on an action plan for the implementation of resolution 1325 in European defence and security policy, and thanks to the efforts of Sweden and others, the EU member states could agree in May 2005 to approve a code of practice for missions under the auspices of the European defence and security policy.
- Together with the *Kvinna till kvinna* (Woman to Woman) foundation, the Government arranged an international seminar in 2005 with the theme "Security – on whose terms?" about women's situation in peace-promoting measures.
- Special recruitment measures have been developed within the Armed Forces to promote equal gender distribution in the regular and reserve officer programme, and thereby in the forces as a whole in the longer term. People who meet the admission requirements and who are of the underrepresented gender, meaning less than 40 per cent of the participants on the course, are to be admitted. At the Swedish Rescue Services Agency (SRSA), processes are under way for improved gender mainstreaming of crisis and conflict management, and the SRSA is a participant in the National Defence College's research project on international measures from a gender perspective.
- In its 2006 appropriation directions, the National Defence College has been given the assignment of mainstreaming a gender perspective into all research and development. This is based on gender-mainstreamed objectives and result indicators from 2005. A research project on international measures from a gender perspective is being carried out together with the SRSA. This project is working with

processes to boost gender mainstreaming in crisis and conflict management.

- On the Government's initiative, a network for ethical rules and codes of behaviour in 2004 produced a recommended code of practice which *inter alia* makes clear that purchase of sexual services is not permitted during foreign missions. The recommended code of practice functions as a guide for ethically correct behaviour when Swedish personnel are on international missions.
- During 2006 the SRSA will be carrying out an evaluation of the code of practice for Swedish personnel on foreign missions. One aspect of the code is that the Swedish law prohibiting the purchase of sexual services, and Sweden's criminal provisions on human trafficking, also apply to Swedish personnel during these assignments. The code of practice is today part of training and is included in the employment contracts of the SRSA's mission personnel. The Armed Forces have taken part in drawing up the code, and are working to shortly establish a code of their own. In November 2005, Sweden arranged a seminar in Stockholm on the NATO guidelines against human trafficking for personnel in NATO-led conflict management missions. Sweden has contributed to the work of producing NATO's guidelines.

Objective: to combat terrorism while fully safeguarding respect for human rights and the legal rights of the individual.

The presence of terrorism is a threat to security, not least for women and children, in the developing countries, at the same time as it hampers development. In negotiations within the EU, UN, OSCE, Council of Europe and NATO/PfP to improve cooperation against terrorism, Sweden stresses the importance of full respect for international law, human rights and the rule of law.

- Along with Switzerland and Germany, Sweden has begun working to develop sanction instruments and make them more legally secure and development-friendly.
- Sweden has been an active contributor to the EU's strategy against radicalisation and recruitment, and the strategy to counteract terrorism. In this vein, Sweden has offered to provide training in judicial and legal matters to improve countries' ability to apply the Security Council's resolutions and universal anti-terrorism conventions, and at the same time contributing to institutional development that underpins the fight against poverty and development in general.
- As a follow-up to the 2005 UN summit, the UN Secretariat is working to develop an anti-terrorism strategy. Sweden is an active contributor to this work through the EU, as it is to the efforts to find a solution in the negotiations on the UN convention against terrorism.
- To boost knowledge of the link between development, radicalisation and recruitment to terrorism, as well as the conditions that counteract radicalisation processes through preventive measures, Sida has been given the assignment in 2006 of assessing of the effect that ongoing efforts in development cooperation, particularly in vulnerable

Objective: to help bring about disarmament, non-proliferation and tighter controls on conventional weapons.

Sweden is a strong proponent of disarmament and non-proliferation and took the initiative to the EU's strategy against weapons of mass destruction. This means, among other things, that the EU's non-proliferation clause will be inserted into agreements with third countries. An important step in the work to achieve equitable and sustainable global development is that to reduce the amount of available weapons that can contribute to escalating conflicts and insecurity.

- The independent commission on WMD, which Sweden initiated, will submit its final report in 2006. Sweden is working to ensure that the Commission's recommendations will have the greatest possible impact.
- Sweden is working to clarify the negative link between illegal and uncontrolled spread of small and light weapons and security; and as a consequence, development. Among other things, Sweden contributes to projects in the developing countries that aim to remedy the uncontrolled spread of these weapons.
- The Government has appointed a special ambassador to coordinate Swedish efforts to combat the unlawful and uncontrolled spread of small arms and light weapons.
- Sweden has been proactive in producing the EU strategy to combat illegal stockpiling and trade in small and light weapons. The strategy was adopted by the Council of Europe in December 2005.
- In June 2005, an instrument for the tracking and labelling of small and light weapons was negotiated within the UN.
- Sweden works actively for universal accession to the Ottawa Convention (the landmine ban). Work on the Convention is otherwise focused on the humanitarian aspect.
- Sweden has acceded to the G8's Global Partnership for Disarmament, Non-proliferation and Security in Russia and other countries in the Commonwealth of Independent States (CIS). Among other things, Sweden reserved SEK 5.5 million in 2005 for the destruction of chemical weapons in Shchuchye in Russia.
- In cooperation with other countries, Sweden has taken the initiative within the UN to end the inertia afflicting the international disarmament machinery.

Objective: that Swedish exports of military equipment do not conflict with the goal of equitable and sustainable global development.

Sweden has chosen to have some export of military materials for foreign, security and defence policy reasons. Security, and the absence of armed conflict, are basic conditions for development. International law allows each country to have a military defence force to promote national security and stability. Access to weapons in countries with weak

institutions and in which the weapons risk falling into the wrong hands is however a threat to the stability that underpins development. Many developing countries lack reliable control mechanisms. It is important, therefore, to ensure that Swedish export of military material takes place in a way that does not hamper the work to achieve equitable and sustainable global development.

- To prevent weapons from falling into the wrong hands, Sweden applies the Military Equipment Act (1992:1300) as well as national guidelines that state when export may take place, as well as the EU code of practice for weapons exports. In the overall assessment that occurs place prior to the issue of an export permit, factors taken into account include whether the export risks hampering sustainable development in the recipient country, the recipient country's respect for human rights, the presence of internal and regional tension, the risk of armed conflict and how the recipient country fulfils its international obligations.
- Sweden has been proactive in the work within the EU of drawing up methods for how national authorities that issue permits are to apply the code of practice's criteria on sustainable development, with the objective of improving and harmonising its application.
- The report *KRUT – Reformerat regelverk för handel med försvarsmateriel (SOU 2005:9)* (KRUT – A reformed regulatory framework for trade in defence equipment) (SOU 2005:9) proposes that Swedish guidelines be integrated into the criteria in the EU's code of practice for weapons exports. A referral to the Council on Legislation is being prepared.
- Sweden helps develop methods of avoiding corruption in the purchase of military equipment through the development of "integrity pacts".

3.4 Global challenges and global public goods

Global challenges are the fateful issues facing humanity, such as global poverty, armed conflict, climate change, depletion of natural resources, and the spread of infectious disease. As a step in meeting these challenges, Sweden and France have taken a joint initiative for an international working party for global public goods. An important part of the work is improving knowledge of links as well as identifying political, institutional and, where necessary, financial solutions.

Objective: to identify practical solutions leading to closer cooperation and greater mobilisation of resources to meet the major global challenges of today.

- Sweden and France have initiated a joint international working party tasked with arriving at a satisfactory definition of the term "global public goods", establishing how the most important of these are currently provided at global level, and proposing improvements. Important questions that the working party will consider include the international institutional framework for dealing with global

challenges and financing global public goods. The working party began its work in 2003 and background material has been produced in the shape of a number of reports. A final report will be submitted in 2006. Skr. 2005/06:204

Objective: to analyse the impact of the rich countries' overall policy for promoting development in poor countries.

- The Swedish Government Offices are taking part in an international programme of research into mutual dependence and coherence in development policy. This is taking place under the auspices of the OECD's development centre, and is expected to be completed in the latter part of 2006. Nineteen case studies have been carried out in the programme, and preliminary results from these have been presented during the year. The various case studies concern the effects in individual developing countries of the interplay between the policy of the OECD countries in the fields of international migration, international trade, foreign investment and foreign aid. These results have been used during the year as a basis for international seminars on the issue of how to achieve greater coherence for development.
- The Government Offices are also taking part in an international research programme that embraces some 20 country studies and four thematic studies (foreign aid, trade, migration and investment), led by the international Global Development Network (GDN). The programme runs for three years and final reports are due in 2007.

Objective: to ensure a high level of awareness of and commitment to global development among the Swedish public.

- The Millennium project *Världens Chans* (The Chance of a Lifetime), whose objectives included providing key groups with knowledge of the Millennium Development Goals, was successful, according to the evaluation carried out in the autumn of 2005. To the question of whether they knew of the goal to halve poverty by 2015, 42% answered yes in the autumn of 2003 and 57 per cent in the autumn of 2005. Belief that it is possible to achieve the Millennium Development Goals has risen from 10 to 22 per cent. Advertising campaigns over these years are regarded as successful, having attracted a good deal of attention. These were carried out together with a growing network of actors, 85 in all, including NGOs, institutions, public agencies and companies. The project will continue in 2006 under the auspices of the UNDP's Swedish office and the UN Association of Sweden.
- The 2005 Eurobarometer concerned the Millennium Development Goals and how well they were known in Europe. On the question as to whether they knew of the Millennium Development Goals (without definitions), the European average was that 12 per cent knew of them. Countries that had had long campaigns about the goals scored considerably higher, Sweden highest with 27 per cent and Italy with 19 per cent.

An effective contribution to equitable and sustainable global development requires a coherent grasp of the situation, in which fundamental values, sustainable development and security are integrated at all levels. Sweden's policy for global development is unique in that it takes this coherent grasp.

The groundwork has been laid for a coherent Swedish policy that contributes to equitable and sustainable global development. Work procedures that aim to strengthen collaboration within the Government Offices as well as between the Government Offices and other public agencies are beginning to take shape, as is collaboration between public and non-public actors. Work within the EU has also become more clearly focused on coherence; Sweden has helped bring this about. The account in this communication shows that the policy for global development is having growing impact on overall Swedish policy.

Analysis of prerequisites for development that focus on the expressed problems and priorities of the poor can be improved. In the same way, there is improved understanding among political actors about the meaning of the goal of contributing to equitable and sustainable global development, as well as of the rights perspective and the perspective of the poor on development. There is scope for more efficient coordination and clearer focus. That is why the Government gives priority to improved ongoing training measures in the Government Offices, as well as contributing to similar measures among other key actors.

There has been greater collaboration with actors outside the central government sphere in recent years. A number of NGOs and companies have, on their own initiative, involved themselves through seminars and direct dialogue with the Government on policy. NGOs have also become involved in establishing a forum for dialogue and debate on the policy for global development. The Government has initiated studies to examine the possibility of strengthening the active participation of the Swedish business community in Swedish development policy. During the course of the studies, there was intensive dialogue between the Government Offices and representatives of the Swedish business community. The groundwork has now been done for proceeding in these areas.

Coherence for global development is a priority issue for Sweden, in its work within the EU work and in other international contexts. Growing interest within the EU in greater coherence, on the part of the Commission as well as the member states, lends support to Sweden's ambition to more clearly work with its policy for global development within the framework of its cooperation within the EU. The International Task Force on Global Public goods will submit its final report in September 2006. It contains concrete recommendations for the financing of institutional solutions for global public goods. A priority issue for Sweden is to take up a position on these and push for better management of global public goods in international cooperation. Through its Director-General for Development Cooperation, Sweden is also a member of the high-level panel appointed by the UN Secretary General as a follow-up of the 2005 summit to examine control, coordination and efficiency in the UN's operative activities. The panel is led by three Prime Ministers

and its thirteen members are the most high-ranking in UN history. Expectations are high that the panel will present visionary proposals in September 2006 for changes to the UN system. In addition to its active involvement in the work of the panel, Sweden has called particular attention to gender equality issues.

4.1 In-depth analysis

A contribution to equitable and sustainable global development, requires decisions that are based on solid analyses. The basis of this analysis is the priorities of poor people and their means of creating development for themselves. To live up to this principle, the Government Offices works on an ongoing basis to develop and extend its thinking on how the policy for global development is to have impact within the framework of the policy areas. Apart from analysis work within the framework of ongoing processes, the Government's Expert Group for Development Issues (EGDI) has published reports on *inter alia* the link between migration and development, security and development, as well as the financing of development and trade and water-related issues. Sweden also supports international research to investigate the development effects of the policies of rich countries, both for individual developing countries as well as in the various policy areas, and the production of an international index that assesses and ranks the OECD countries' overall policy for development (Commitment to Development Index). Over and above this, the Government gathers knowledge from international institutions and knowledge centres on an ongoing basis. Analysis should be improved by extending the basis of knowledge gathering to include a wider circle of actors (including civil society) as well as analyses carried out by researchers and policymakers in the South, this will more clearly give poor people a voice and obtain their perspective on development.

One area where more knowledge is needed is an analysis of the links between different policy areas, as well as the development effects of conducted policy. The Government is working to find clearer links between its policy and its results and effects so that it can more clearly report how the policy helps achieve the goals of the policy for global development. In these contexts, it is very important to pay special attention to voices from the developing countries.

Another area where there is a need of in-depth analysis is the link between countries' need for room for manoeuvre and global agreements. National ownership is key to the Swedish policy for global development. It might seem obvious that each country should have sufficient political room for manoeuvre to create and push for its own priorities, but at the same time it is important to have some limits on the room for manoeuvre, for example if the limits boost respect for democracy or human rights, or where global welfare gains are generated by a multilateral system of regulations. This applies for example to the fields of trade and environment. There is reason to look more closely at the possible conflicts that can arise in this area of tension.

A third area is about the role of agriculture in the development process. Rural development and agriculture play an important role in

employment, economic development, the fight against poverty and secure food supply in the developing countries. The chances of improving the situation of women are directly dependent on circumstances in rural areas and in agriculture in most developing countries, so deepened understanding of the prerequisites for rural development and agriculture, as well as the development policy consequences of the agricultural policy of rich countries is crucial in the fight against poverty and hunger.

A fourth area is about strengthening knowledge of the links between peace and security and other areas. This includes paying attention to the situation of young people. For example, unemployment among the young is a growing security problem, because unemployed young people are easily recruited to armed conflict.

A fifth area where further knowledge is needed is that of the link between climate, energy and development. This concerns energy supply in poorer countries in the short and long term and the impact of climate change on health, as well as the effects of these issues on agriculture, forestry and infrastructure and what the challenges imply about the need of technology transfer.

4.2 Priorities in policy

In its progress report 2005/06:161, the Government stated that extra importance would be attached to policy areas that are of special importance in global development and in which concrete results can be achieved. Designated areas were trade, agriculture, migration, environment and security. In this year's report, there is a discussion in section 2 as to how these areas can help achieve greater coherence, and what challenges face the policy. On the basis of this, and against the background of the results achieved (reported in section 3), the following priorities can be identified:

Environment

The Government will continue to press for a link between the European ETS and the flexible mechanisms of the Kyoto Protocol. Through the flexible mechanisms, Sweden contributes to modernisation of the energy system in developing countries, thus promoting sustainable development in these countries. In the EU and other global forums, Sweden is also pressing to achieve a climate regime after 2012 when the Kyoto Protocol expires, and to negotiate new commitments for the parties of the Kyoto Protocol prior to the second commitment period.

Improved management of chemicals will have high priority in future years since a growing proportion of use and production of hazardous chemicals takes place in poor countries with shortcomings in their control of chemicals. Continued capacity building of various types is particularly important, and the Chemicals Inspectorate is one agency with an important role here.

Swedish experience and know-how on sustainable development, eco-adapted technology, systemic thinking etc., and knowledge of infrastructure and urban development, will continue to be disseminated internationally through the EU, the UN and development cooperation work. One example of this is the work within the Sustainable Cities project and efforts within development cooperation to achieve planning of housing and roads, including in heavily urbanised areas with air pollution and waste management problems.

Sweden intends to maintain a dialogue with partner countries and press within e.g. the World Bank and UNEP for the integration of international environmental conventions dealing with issues of fundamental importance in the fight against poverty into the national development strategies of the developing countries.

Trade and agriculture

Sweden intends to work intensively to ensure that the global trade negotiations in the WTO's Doha Round will result in the ambitious development round agreed by the member countries at the start of the negotiations began in 2001. In the negotiations, there has been growing awareness that market openings are a necessary, but insufficient, condition if developing countries are to be able to boost their trade. Many developing countries need help to be able to benefit from more free global trade, among other things through capacity-raising measures and support for structural reform and trade-related infrastructure.

The Government intends to work within trade and agricultural policy to ensure that our national body of regulation and that of the EU are designed in a way that promotes trade with developing countries while taking into account our national standards for e.g. safe foodstuffs and animal protection. This is so that the result of WTO negotiations as well as the EU's bilateral trade negotiations with developing countries will be as development-friendly as possible, and so that strong trade-related support will be developed as a supplement to ambitious results of the negotiations.

Within agricultural policy, the Government intends to continue to press for a reform of the EU's agricultural policy towards reduced costs, greater market adaptation and reduced negative effects for trade with third countries, as well as for the international harmonisation of e.g. standards for safe foodstuffs. This will boost developing countries' chances of competing on equal terms, as well as their chances of utilising their comparative advantages and creating environmentally, economically and socially sustainable development and employment in rural areas and in the land-based industries. For the same reason, the Government sees rural development in poor countries as a priority, and is working in relevant multilateral cooperation forums to raise awareness of the importance of environmentally sustainable agriculture, forestry and fishery and sustainable rural development in development policy.

The Government intends to work for greater coherence between migration and development, both nationally and within the EU and other international organisations. This includes creating national structures, among other things between the Government Offices and public agencies, to boost coherence between the two policy areas.

This finds its expression *inter alia* in a clear commitment in the EU to boost the development impact of remittances, supplemented with continued measures in Sweden to reduce charges and create safer channels for transfers, to support analysis within the field, and by studying how diasporas can best be involved in contributing to positive developments in their countries of origin. In the EU and other international forums, Sweden intends to continue to press for and support international dialogue on migration and development, including after the UN top-level dialogue in September 2006.

The Government also intends to follow up the work to boost labour mobility that has positive effects for migrants and their countries of origin. This assumes that terms of employment are to be on a level with those that apply to employees who are already in the country. The Swedish Committee on Labour Immigration (KAKI) was given the assignment of proposing a body of regulation that admits greater labour immigration from countries outside the EU and the European Economic Area (EEA). The Government will continue to press for regulations that are based on the needs of the Swedish labour market at the same time as they contribute to development.

Security

The Government intends to contribute to developing forms for multifunctional missions, better collaboration in the field between civilian and military actors and a better transition from more acute peace-promoting measures to peacebuilding and long-term development. The newly-established Peacebuilding Commission will have a particularly important role here.

The Government also intends to continue its active work to improve and strengthen the UN's and EU's conflict management ability. This also includes actively contributing to instrument development, such as the EU's civilian and military rapid response groups, and that the UN establishes civilian observers as a category, both in terms of personnel and as other support to and participation in missions.

The Government is working to develop measures for SSR and DDR measures with special emphasis on follow-up and implementation of the proposals of the "Stockholm Initiative". The Government also intends to work to ensure that Sweden will contribute to developing focused tailored measures with the objective of managing the security vacuum that often arises in fragile states. The ambition is that the practical guidelines of missions will emphasise improved and consolidated work between disciplines acting within a security remit in broad terms.

The Government's ambition is that Sweden will continue to play an active role in the implementation of UN Security Council resolution

1325, among other things to boost women's participation in international measures, peace processes and other peace-promoting activities. Special attention is to be paid to participation at national and local level in conflict areas. Experiences of women's participation and role in the peace process should be better utilised and should form a basis of the development of concrete guidelines and methods. Skr. 2005/06:204

The Government is active in ensuring that security and development issues will be more closely linked and intends to have a dialogue with interested parties on the prerequisites and opportunities of linking security aspects to the Millennium Development Goals.

Key to abbreviations

Skr. 2005/06:204

Bilaga 1

ACP	78 countries in Africa, the Caribbean and Pacific
Althea	EU military mission in Bosnia-Herzegovina
BNC	Binational Commission
CBD	Convention on Biological Diversity
CIS	Commonwealth of Independent States
CSD	UN Commission for Sustainable Development
DDR	Disarmament, demobilisation and reintegration
DDT	Dichlorodiphenyl trichloroethane
EBRD	European Bank for Reconstruction and Development
EGDI	Government Expert Group for Development Issues
ESDP	European Security and Defence Policy
EU	European Union
FAO	UN Food and Agricultural Organisation
FSG	OECD Fragile States Group
G8	Heads of state and government of the G7 (France, Italy, Japan, Canada, the United Kingdom, Germany and the USA) plus Russia.
GAERC	General Affairs and External Relations Council
GDN	Global Development Network
GDP	Gross Domestic Product
GEN	Global Ecolabelling Network
Govnet	The OECD/DAC network for governance
GSP	The EU's General System of Preferences in customs
HIPC	Heavily Indebted Poor Countries
IDEA	Institute for Democracy and Electoral Assistance
IF	Integrated Framework
ILO	International Labour Organisation
IMF	International Monetary Fund
IMO	International Maritime Organisation
INCP	International Network on Cultural Policy
IOM	International Organisation for Migration
IPPC	International Plant Protection Convention
ISAF	International Security Assistance Force
ISO	International Standardisation Organisation
ITC	International Trade Center
KAKI	Committee on Labour Immigration
KFOR	NATO Kosovo Force
LDC	Least Developed Countries
OECD	Organisation for Economic Cooperation and Development
OECD/DAC	OECD's Development Assistance Committee
OSCE	Organisation for Security and Cooperation in Europe
PfP	Partnership for Peace
PRT	Provincial Reconstruction Team (within framework of ISAF)
SAICM	Strategic Approach to International Chemicals Management

Sida	Swedish International Development Cooperation Agency	Skr. 2005/06:204 Bilaga 1
SPS	Sanitary and Phytosanitary	
SRHR	Sexual and reproductive health and rights	
SRSA	Swedish Rescue Services Agency	
SSR	Security Sector Reform	
TBT	Technical Barriers to Trade	
TRIPs	Trade Related Aspects of Intellectual Property Rights	
UN	The United Nations	
UNAIDS	The UN Aids Programme	
UNCTAD	UN Conference on Trade and Development	
UNDP	UN Development Programme	
UNEP	UN Environment Programme	
UNESCO	United Nations Educational, Scientific and Cultural Organisation	
UNFPA	UN Population Fund	
UNHCR	UN High Commissioner on Refugees	
UNMIL	United Nations Mission in Liberia	
UNIFEM	UN Development Fund for Women	
WAIPA	World Association of Promotion Agencies	
WHO	World Health Organisation	
WIPO	World Intellectual Property Organization	
WTO	World Trade Organisation	

Extract from the minutes of the Cabinet Meeting, 18 May 2006.

Present: Minister Ringholm, Chair, and Ministers Sahlin, Östros, Messing, Y. Johansson, Bodström, Sommestad, Karlsson, Nykvist, Andnor, Nuder, M. Johansson, Hallengren, Björklund, Holmberg, Jämtin, Österberg, Orback

Secretary: Minister Jämtin

Government Communication 2005/06:24, Sweden's policy for global development, approved by the Government.