

# Summary

Governments' handling of foreign relations and foreign affairs has a long history. The direction of foreign policy and other international activities is governed by global circumstances and national interests, but the forms of pursuing them change over time. They have become more intense and broad, and in some respects more straightforward.

The task of this Inquiry is to ask, and try to answer, the question of what type of foreign service Sweden needs for the future. This concerns which working methods the Ministry for Foreign Affairs (MFA), Sweden's foreign representation and the Government Offices should use to best safeguard Sweden's international interests in a time of globalisation and change. As all ministries now work on international issues, the proposals also concern other parts of the Government Offices, not just the MFA.

The interim report previously presented by the Inquiry (SOU 2010:32) raises the issues of efficiency and flexibility in Sweden's foreign representation. The final report looks at foreign policy as a whole, including its administration.

The terms of reference prescribe that it must be possible to implement the proposals presented within the existing financial framework. The Inquiry follows these guidelines. It should, by and large, be possible for the reforms proposed for the Swedish Foreign Service to be financed through the proposed efficiency measures, in combination with some conversion adjustments.

However, rapid developments in the rest of the world place new demands. Now and in the future, the Government must have a Government Offices with a strategic international outlook, a strong and efficient foreign service and a Swedish diplomatic presence abroad that is adapted to its purpose. This is needed to pursue and protect Swedish interests. In order to live up to this

task, an administration is needed that requires greater, rather than fewer, resources.

### **Conditions for Swedish foreign policy and its administration**

Foreign policy and its administration are ultimately based on adaptation to, and strong support from, Swedish society. It has to be clear to citizens and Swedish society as a whole that foreign policy is pursued in their interest, in both the long and short term. Sweden's presence abroad aims to promote these interests and provide support to agencies, companies, organisations and private individuals, with a good level of service-mindedness and in line with existing regulations.

The changes occurring around the world that call for changes to foreign policy and its administration can ultimately be linked to what is generally referred to as globalisation. It is a widely accepted realisation that globalisation places greater demands for speed and flexibility in order to adapt activities and organisations to new conditions. It is also evident that globalisation can bring with it both opportunities and challenges. Greater interdependence between countries, institutions, organisations and companies means more points of contact, including more points of friction with which to deal. This applies to many different activities, public and private, as well as local and international. Swedish foreign policy and its administration must be designed to meet this development.

Globalisation has changed the geopolitical and security policy reality in which the Government's foreign policy and other international activities are pursued. The fall of the Berlin Wall just over twenty years ago, Swedish membership of the EU, the development of new security policy challenges and actors, boundless flows of people, goods, information, innovation, capital, etc. are all parts or results of globalisation. At the same time, traditional foreign and security policy challenges remain, or re-emerge. In many ways, the changes are full of promise, but some are also worrying.

As a small, open and well-run innovation economy, Sweden has been able to benefit greatly from the economic opportunities offered by globalisation. But the competition is getting tougher. Global economic power relations have shifted, new markets are developing and the pace of research and development in certain sectors is breathtaking. The international financial structures must

be stabilised and harmonised in order to create conditions for growth and global development that are sustainable in the long term. Non-traditional foreign policy issues are given greater scope in governments' international policies – and are becoming increasingly intertwined with more traditional areas.

Similarly, increasing numbers of national or domestic problems must be dealt with and resolved together with other countries. Challenges and solutions are cross-border and policy areas are interconnected. Mutual dependence is growing and Sweden's voice is needed in many multilateral projects. Policies must be created and international alliances built with countries and with other actors. EU cooperation is being strengthened and developed, and Sweden's ambition is to be at the heart of this cooperation. At the same time, global issues and disputes need a legitimate and efficient world organisation, the UN, for successful resolution.

It is in this global reality that Swedish foreign policy is to act and Swedish interests are to be promoted and defended. Peace and security, prosperity and economic growth, openness and free trade, global justice and development, democracy and pluralism – all of these things form the natural foundations of Swedish domestic policy, and of Swedish foreign policy too. The Government, which is to pursue this foreign policy, needs the support of an efficient, flexible and competent administration, including the network of embassies, consulates, representations and delegations abroad.

Increased migration flows and Swedes' changing travel patterns are also a part – or a result – of globalisation. They affect Sweden and Swedish policy in general. For the Swedish Foreign Service, these trends represent tangible challenges. The number of migration cases can vary in a way that is difficult to predict, and new types of difficult consular matters require energy and a great deal of advanced skill. Sweden's foreign operations need to be equipped to meet these requirements as well.

Looking back, we can see that the Swedish Foreign Service has hardly remained unaffected so far. Over the last 20 years a considerable amount of adaptation has taken place. EU work now permeates all activities, security policy has shifted, development cooperation has increased and undergone reform, trade promotion has intensified, the nature of consular work has changed and migration cases have multiplied. Sweden's presence has undergone major changes: since 1990, 59 missions abroad have been phased out and approximately 40 have opened. Add to this the internal changes that

occurred when the ministries became one agency, the Government Offices, in 1997, and a number of other organisational adjustments. But further adaptation to keep up with the times is needed.

Both Swedish foreign policy and its foreign service must be designed to be in a strategic position to meet the cross-border challenges of tomorrow. The fundamental objective of foreign policy, i.e. to promote and defend Swedish security, prosperity and societal interests internationally, is not expected to change. However, the administration that is to implement this policy needs to be constantly adapted to new circumstances.

### Summary of the proposals

One key conclusion of the overall work of the Swedish Foreign Service Inquiry is that a successful foreign policy organisation needs a long-term strategic direction and a flexible and efficient administration.

The assessment that the mutual dependence of various policy areas requires increased cross-ministry cooperation and joint management of Swedish foreign policy is another constant thread running through this report. The same can be said for the MFA internally. The path to a more efficient foreign service – and a better international impact for policies – does not lead via more and clearer boundaries between various policy areas. This does not fit with the reality, either nationally or internationally. Instead, this is a matter of strengthening capacity to take action based on holistic assessments. While roles and responsibility must be clear, they must not contribute to creating territories, to the detriment of operations. The planned review of the Government Offices must take a holistic approach towards cross-ministry work.

Other assessments of foreign policy operations that inform the report include openness towards other stakeholders, incentives to test new forms of cooperation and working methods in operations, and the importance of wanting, and daring, to change the administration.

*The Government Offices*

The foreign policy issues that the Government has to address often span over many policy areas and ministry boundaries. The formulation of foreign policy across ministry boundaries must therefore be strengthened. The Inquiry proposes that a group of state secretaries bound by instructions and under the leadership of the State Secretary for Foreign Affairs be established for this purpose. This group should not take formal decisions – that is the job of the Government – but it can identify political areas of activity, and steer the formulation and implementation of decisions. This kind of group would serve as a strong reminder that cooperation between ministries is desirable and should be encouraged. Many other countries have come further in this form of institutionalised policy-cooperation between ministries, including on international issues.

As Sweden's foreign representation is a resource for the entire Government Offices, the Inquiry proposes that the state secretary group also consult on the strategic direction, placement and resource levels of the foreign representation.

For the Government Offices to function as an efficient foreign policy tool, the division of responsibilities must be clear and cooperation between the ministries must be constructive. A culture of more open internal communication and dissemination of information must be created within the Government Offices, and in relation to Sweden's foreign representation.

For foreign policy purposes, the Inquiry proposes a number of new consultation routines at official level and greater dissemination of reporting from the organisation abroad. The Inquiry sees the need for a Government Offices with a clearer international outlook, direction and competence.

Increasing numbers of international issues at national level have to be resolved together with other countries. Multilateral work is becoming increasingly important and has also changed in nature. New forms of multilateral cooperation are being tested between groups of countries. Sweden must actively monitor how the country's interests are best promoted in this development.

Irrespective of the forms it takes, the Inquiry predicts that the importance of multilateral work will grow in international politics. The Inquiry considers that Sweden, as a medium-sized/small country, must hone its administration in terms of competence,

timing, alliance-building, etc. in order for Swedish policies to continue having an impact internationally.

Sweden has a long tradition of multilateral work, which is a good basis for achieving continued success. EU cooperation is being strengthened and developed, and Sweden's ambition is to be at the heart of this cooperation. Swedish foreign policy aims to strengthen the EU as a global partner. Active participation in shaping EU policy in areas that Sweden prioritises is, and will remain, a key task of the Government Offices, and for other state administration.

When it comes to the EU, the Inquiry proposes that Sweden's fifteen-year membership of the EU should give rise to an analysis of the experiences gained concerning strategic direction, success factors in negotiations and preparedness in Sweden's administration, above all in the Government Offices. The conclusions could offer valuable insights into the potential for further improving working methods and ensuring that Swedish policy makes a greater impact in multilateral forums.

### *The Swedish Foreign Service*

A successful foreign policy requires a strong and efficient foreign service that has a clear role. To address its task, a modern foreign service also has to be open to other stakeholders and enjoy positive support in Swedish society.

The main task of the Swedish Foreign Service must be to have the overall perspective for the whole of Swedish foreign policy. The security concept has been broadened over the years and the MFA's responsibility has been expanded without this being defined or the division of responsibilities between ministries being clarified. The Inquiry proposes that this be done. The MFA must actively take the lead and provide support for the rest of the Government Offices.

The MFA is also the designated ministry for defined foreign policy areas. This also includes statutory duties and services, primarily the handling of migration issues and consular matters, which are to be considered core activities.

In addition, the MFA has the important task of coordinating the management of the placement and strategic direction of Sweden's foreign representation.

These broad and varied responsibilities require a clear and coherent strategic direction and management of the Foreign Service. The Inquiry, therefore, proposes that the implications of the overall responsibility of the State Secretary for Foreign Affairs and the mandate of the Director-General for Administrative Affairs be honed in order to facilitate coherent management.

It is also suggested that the MFA create an integrated function for coordinating analysis, policy formulation and planning, attached to the ministry leadership. Proposals are presented for how this analysis capacity should be organised and strengthened. To make decisions and set priorities for the operations, the ministry leadership needs good background material. This requires improved follow-up of activities linked to resources. The Inquiry proposes that this be developed and is discussing the design. It is the Inquiry's view that better follow-up should form the basis of discussions on resource allocation for foreign policy operations and Sweden's presence abroad. The Inquiry considers that showing results and discussing the effects of foreign policy operations is also an important part of making clear to the outside world how the Foreign Service works.

The consultancy study *Next Generation Strategic Management for Diplomacy* (annex 10) provided support for some of the management ideas considered by the Inquiry.

In order to work effectively and smartly, the Swedish Foreign Service must seek cooperation solutions with like-minded countries. This can concern just about everything from building alliances to jointly pursue an issue, to creating effective local solutions and operational synergies with other missions.

Deeper foreign policy cooperation within the EU and the creation of the EEAS offer new opportunities for Member States that must be used. The Inquiry considers that Sweden must take a strong proactive role in creating an efficient and balanced European foreign service. The Inquiry considers that this may require increased resources in the short and medium term. However, efficiency gains should be possible in the long term. But the European foreign service is the sum of the Member States' interests, and in order to assert Sweden's priority interests within this context, strength will be needed in Swedish foreign policy and the Swedish Foreign Service.

The Swedish Foreign Service must dare to look to new working methods. In a complex world, where more actors besides nation states are clearly creating and influencing international develop-

ments, it is natural for a foreign service of today to invest in broadening its networks beyond state-to-state relations.

The Inquiry, therefore, proposes that the Swedish Foreign Service strengthen public diplomacy efforts so that the image of Sweden and the Swedish message reaches a broader international audience, thereby increasing the impact of Swedish interests.

International trade development and promotion is a core activity for the Swedish Foreign Service, and for other parts of the Government Offices as well. This must be seen as a broad and long-term activity with links to innovation, employment and future competitiveness. The Inquiry considers that the large number of agencies active in this area must act based on jointly formulated objectives so that they can be efficient and complement each other. Therefore, the Inquiry proposes that a responsible group be established within the Government Offices under the leadership of the State Secretary for Trade. It should work towards harmonised appropriation directions for the agencies beneath it and it should be given responsibility for coordinating the distribution of resources.

The role of the Swedish Trade Council should be made clearer and uncertainties concerning the status of the Trade Commissioner should be ironed out. The Inquiry is also in favour of greater competition within export promotion, while stressing the importance of the Government having effective instruments for public trade development and promotion at international level.

Cooperation must be strengthened between export promotion and investment promotion, and synergies with aid and development cooperation must be used.

Under the term 'economic diplomacy', trade development and promotion is linked to the broader promotion of Sweden's economic interests. It is an umbrella term for decision-making, policy formulation and the promotion of a country's public-economic and business interests. Areas such as financial stability, investment policy, financial flows, bilateral and multilateral economic negotiations and agreements, technology and innovation transfer, and development cooperation are included. The MFA should consider how it, and the Government Offices, can work more coherently with economic diplomacy.

For Swedish development cooperation, the Inquiry presents a number of proposals aimed at a clearer division of roles between the MFA as political decision-maker and the Swedish International Development Cooperation Agency (Sida) as the agency respon-

sible for implementation. Reforms in this direction have been implemented by Sida since the Inquiry was appointed. Comparisons are made between a number of countries that do not have an equivalent division between government and government agency. The Inquiry notes that Sida has to complete the ongoing reform-programme with a view to becoming an agency for implementation, follow-up and quality assurance of development assistance, but at the same time maintaining competence in relevant policy areas so as to fulfil its mission. The Inquiry considers that the MFA must have the competence to clearly and smoothly steer the aid administration beneath it and proposes that the role of the embassies as implementers of aid be made clearer.

The fact that development cooperation is linked to other policy areas is manifested in the Government's Policy for Global Development. The Inquiry considers that this could be developed further.

The Inquiry stresses that statutory duties and services, primarily migration activities and consular services, are core activities of the Swedish Foreign Service,. A good and quality-assured service must be provided to the 'customers'.

Migration policy and its implementation must be seen within the Government and the Government Offices as a whole, regardless of which appropriation is financing the operations. The MFA's capacity in the area must extend beyond purely taking responsibility for the resources allocated to handling migration matters at missions abroad.

For the increasingly complex consular activities, the Inquiry considers that developed cooperation with responsible Swedish agencies is necessary. The MFA must invest in active communication about the scope of consular services in order to counter misconceptions about how far the Government's consular service for citizens extends.

Follow-up of statutory duties and services must be improved in order to make efficiency gains and more balanced financing possible.

If Sweden's international interests are to be successfully pursued and defended, and if Sweden's foreign representation is to function well abroad, the Government Offices and the Swedish Foreign Service must have the right competence. They are knowledge-based organisations that must be able to support the Government in an optimum way in this work. The Inquiry considers that the Swedish

Foreign Service must contain a broad variety of capabilities and that the needs of the organisation must take priority.

A long-term skills provision strategy and an operational action plan are needed for long-term planning in the area of human resources, for recruitment, stimulating internal and external mobility, and for placing, developing, retaining and phasing out staff.

In the Inquiry's view, the Swedish Foreign Service must have a more open view of external staff mobility. It is proposed that mobility be stimulated through incentives, including within the Government Offices. External competence, e.g. from the business sector and associated agencies, must be attracted.

At the same time, the requirements of the operations mean that the Foreign Service must have a strong core of officials with diplomatic competence and foreign policy breadth. These needs should continue to be met through the recruitment of diplomats. The Inquiry proposes that a re-established system of group recruitment to the Government Offices that strengthens the concept of one authority should cooperate closely with the Swedish Diplomatic Training Programme.

The generation shift that is under way in the Foreign Service should be used to improve the gender and diversity balance in different staff groups. Work on the Government Offices' plan in this area must be strengthened in the Foreign Service.

When managers are appointed, great importance should be attached to applicants' managerial qualities and knowledge of administration. The staff of the Foreign Service must possess good knowledge of the Government Offices' preparatory processes.

The Human Resources Department must have a clear mandate and work strategically, e.g. with support from better staff monitoring and evaluation systems. The Government Offices must enable employees to serve in different kinds of locations and move within the service on a regular basis, regardless of their family situation.

#### *Sweden's diplomatic presence abroad*

The communication and information society offers opportunities to create a more effective Swedish presence abroad. But it has not replaced the need for diplomatic representation abroad. The Inquiry considers that Sweden should have a presence abroad

where it can be of greatest benefit for looking after Swedish interests and for providing statutory services. The direction of activities and strategic placing of Sweden's foreign representation must therefore enjoy support from the entire Government Offices through consultation in the above-mentioned state secretary group. A strategic discussion on the placement of Sweden's foreign representation may also be necessary with external stakeholders, such as the Riksdag (Swedish Parliament), relevant agencies, the business sector and other key stakeholders.

In general terms, the Inquiry considers that Swedish diplomatic presence should be prioritised:

- in leading geopolitical centres of power, both political and economic;
- in emerging geopolitical centres of power, both political and economic;
- in important EU countries;
- in places where the headquarters of multilateral organisations which are key to Swedish policy are located, and where the designing and monitoring of new multilateral structures requires our presence; and
- in countries or regions of particular interest for Sweden (more detailed information provided in annex 4).

There has been an unfortunate shift in the balance of staff and resources from the missions abroad to the administration in Stockholm. This should be rectified, and the Foreign Service Inquiry opened up opportunities for this in its interim report. In it, proposals were presented for how smaller and more cost-effective representation solutions could be used.

Sweden's foreign representation must function efficiently and flexibly, and be adapted to changing international circumstances. Plans for the location of Sweden's foreign representation must, therefore, include both *where* Sweden is to be present and *in which format*.

It was proposed in the interim report that there should be greater use of different, more customised forms of representation – honorary consulates, career consulates (consulates-general), embassies, mini-embassies, section offices, special envoys, regional solutions and local cooperation projects, and co-location with other countries.

This presupposes an ability to simplify and limit the activities and support functions performed in the organisation abroad. Certain tasks should be centralised, regionalised or outsourced to a greater extent.

The interim report also established that a more flexible presence abroad could be achieved by abolishing the status of the missions abroad as government agencies, by guaranteeing access to modern communications solutions, and by broadening opportunities for locally employed staff to participate in various activities.

Sweden's official public face in the world, in the form of embassies, consulates and delegations, functions as a platform for many ministry and agency staff. To create an efficient organisation, the Inquiry considers it necessary to strive to achieve closer cooperation and use of synergies between these state-financed activities. Compartmentalised thinking in various activities needs to be combated. Ambassadors must be given greater authority to lead and delegate work based on a clear direction for activities.

The Inquiry considers that local cooperation can create efficiency gains and PR effects. Swedish agencies abroad should therefore normally share the same premises, a kind of Sweden House, unless there are special grounds not to.

The Inquiry proposes that the organisational management of the Permanent Representation of Sweden to the EU be clearly coordinated by the Prime Minister's Office, with responsibility held by the Secretariat for European Affairs. However, for reasons of efficiency, the Permanent Representation should, in organisational terms, remain under the MFA.

## **Proposals, chapter 2–7**

### **Chapter 2 The international work of the Government and the role of the Swedish Foreign Service**

#### **Basic assessments:**

- Foreign policy aims to promote and defend a country's security, prosperity and societal interests internationally.
- Swedish foreign policy should be clearly rooted in Swedish interests.

- Domestic and foreign policy rest on the same basic values. The boundaries between them are increasingly blurred. Domestic policy becomes internationalised and foreign and security policy is increasingly linked to national conditions. Ministries and other public administration bodies have to relate to this in their operations.
- Globalisation, Swedish membership of the EU and the geopolitical and security policy developments of the last 20 years require Government Offices with international competence and outlook. In the Government Offices, each ministry is responsible for the international aspects of its areas of responsibility.
- The Swedish Foreign Service shall have the overall perspective for the whole of Swedish foreign policy.
- The Foreign Service also has two main operational tasks (cf. table in section 2.3.2): strategically and effectively promoting and defending Sweden's interests internationally, and providing statutory duties and other services to a high standard and in accordance with regulations.
- The foreign representation is a tool for all international political interests of the Government.
- There is a need for increased inter-ministerial consultation and for strengthened drafting procedures on international affairs within the Government Offices.
- Multilateral work will become more significant in finding solutions to global challenges. Strategic bilateral work forms the basis of multilateral capabilities and success.
- Swedish diplomatic presence should be prioritised
  - in leading geopolitical centres of power, both political and economic;
  - in emerging geopolitical centres of power, both political and economic;
  - in important EU countries;
  - in places where the headquarters of multilateral organisations which are key to Swedish policy are located, and where the designing and monitoring of new multilateral structures requires Swedish presence; and

- in countries or regions of particular interest for Sweden (more detailed information is provided in annex 4).

### **Chapter 3 A modern foreign policy**

#### **Section 3.1 Swedish foreign and security policy**

##### **Proposals:**

- The MFA has overall responsibility for foreign and security policy in the Government Offices. The implications of this responsibility should be clarified.
- Sweden's fifteen-year membership of the European Union should give rise to a review of Sweden's interests, priorities and working methods in the EU, with the aim of increasing Sweden's prospects of having an impact.
- The creation of a European External Action Service, the EEAS, offers new opportunities for the Member States to pursue a joint foreign policy. Sweden must take an active part in the creation of an efficient and balanced EEAS that, in the long term, can make it possible to effectivise Swedish foreign policy activities.
- Possible efficiency gains from the EEAS should be assessed continuously.
- The MFA should consider how it can, internally and with the Government Offices, work more coherently with economic diplomacy. This must be considered a priority area in Swedish foreign policy.
- New multilateral groupings and working methods are emerging alongside the established international structures to deal with global tasks. There should be an analysis of what this means for the Government's international work.
- A Nordic study on multilateral forms of cooperation should be initiated.

## Section 3.2 Public diplomacy could increase the policy-impact

### Proposals:

- Public diplomacy should be seen as a natural complement or alternative to state-to-state diplomacy.
- The Swedish Foreign Service's strategic public diplomacy efforts should be strengthened and integrated into all policy areas.
- An action plan for public diplomacy work should be drawn up by the MFA.
- It is proposed that nation branding and public diplomacy be managed and organised jointly within the ministries.
- The MFA should test the advantages of implementing a reorganisation to this end. Alternatively, cooperation between relevant departments should be formalised.
- For communication activities, including public diplomacy, to have an impact, the MFA must act to ensure access to a modern IT environment and communications equipment, not least for the foreign representation.
- The MFA should work for openness and dialogue with Swedish civil society concerning its tasks. The aim is to strengthen support for Sweden's international ambitions in a globalized world, and to contribute to an increasing knowledge of the world in Sweden.

## Chapter 4 Foreign policy in the Government Offices

### Section 4.1 Broad formulation of Government foreign policy

#### Proposals:

- An inter-ministerial group of state secretaries for international initiatives and policy development should be established under the leadership of the State Secretary for Foreign Affairs.
- The state secretary group should be formalised through an amendment to the Ordinance concerning the Duties of the Government Offices (1996:1515).

- The group should be open to participation from all the ministries and the Prime Minister's Office.
- A group consisting of officials from the ministries most closely involved should be set up to prepare and coordinate the work of the state secretary group.
- The group would not be given decision-making powers. Decisions to be taken as a result of the state secretary group's work would be prepared according to current procedures.
- The state secretary group would have the annual task of preparing decisions on the priorities of the foreign representation. (cf. section 4.2).

#### **Section 4.2 Government Offices management of the foreign representation**

##### **Proposals:**

- To ensure broad consultation on the direction of the foreign representation, it is proposed that a planning process encompassing all parts of the Government Offices be established.
- Consultation would be initiated in the proposed state secretary group, led by the State Secretary for Foreign Affairs.
- For the direction of activities, consultations concern the foreign representation's ministerial tasks (i.e. participation in the preparation of Government business and otherwise assisting the Government and ministers in their activities).
- It is proposed that a strategic discussion of the placement of Sweden's foreign representation be held every three/four years, or as needed.
- In terms of timing, consultations will be adapted to the Government Offices activity planning and planning of EU activities.
- It is also proposed that consultations include an overall discussion of resources for the activities of the foreign representation.

### Section 4.3 Special attachés

#### Proposals:

- The need for efficiency and flexibility in the organisation abroad indicates that special attachés, who are selected by a particular ministry and serving abroad mainly for that ministry, should only be appointed when there is a particular need to do so. This should be discussed in the state secretary-led process proposed in section 4.2.
- The head of a small mission must be able to use staff flexibly. A larger proportion of special attachés can obstruct coordination and a holistic approach to activities.
- All officials posted from the Government Offices should be well integrated into the direction of activities laid down for the mission. The special nature of EU work requires a specific system for the Permanent Representation of Sweden to the EU, cf. section 4.4. below.
- The Special Attaché Ordinance should eventually be repealed.

### Section 4.4 Management of the Permanent Representation of Sweden to the European Union

#### Proposals:

- For reasons of efficiency, the Permanent Representation of Sweden to the EU should remain under the MFA.
- Policy and priorities of the operations should be clearly coordinated by the Prime Minister's Office, with responsibility held by the Secretariat for European Affairs.
- The leadership of the Permanent Representation should, for reasons of efficiency, have increased power to reassign tasks among the staff as needed due to peaks and troughs in workload.
- Officials should work more extensively in clusters and be able to cover each other's tasks. For efficiency, the timing of posts being filled should be coordinated.

- As a first step, a system could be formalised whereby the head of the Permanent Representation is able to reassign, for example, 20 per cent of officials' working hours to tasks in related areas for a limited time.

#### **Section 4.5 Better communication within the Government Offices and with the foreign representation**

##### **Proposals:**

- Simple routines should be introduced to create better cooperation and increase the exchange of knowledge between the ministries' officials in international work (see below).
- The dissemination within the Government Offices of information and reports from Sweden's foreign representation must be improved. The MFA should create an IT support platform in order to systematically increase accessibility.
- A greater proportion of reports should be made available outside the missions, including via embassies' websites.
- It is proposed that the MFA undertake a general review of reporting guide-lines for foreign representation, with the aim of
  - ensuring that the scope, orientation, format and timing of reports are more adjusted to requirements
  - establishing and communicating updated guidelines for reporting.
- The orientation and scope of reporting should be laid down in the planning process proposed in section 4.2. for the activities of the foreign representation.
- Knowledge of and routines to guarantee the foreign representations' need for information and background material from different parts of the Government Offices must be improved and honed. The MFA is responsible for initiating work to this effect.

## Chapter 5 Management of certain foreign policy activities

### Section 5.1 Strengthened trade and promotion activities

#### Proposals:

- In the area of public trade and promotion activities limited resources must be used in an efficient manner and closer cooperation between actors be strengthened in order to maximise the outcome of operations.
- Opportunities for collaboration and administrative synergies should be used in locations abroad where several public promotion actors operate.
- The Swedish Agency for Growth Policy Analysis's assignment to strengthen Swedish competitiveness internationally and its presence abroad clearly dovetails with the Foreign Service's trade and investment promotion activities. Swedish Agency for Growth Policy Analysis offices abroad must be seen as a part of the Government's overall trade development and promotion activities.
- In order to strengthen Government Offices coordination and management of the Government's promotion activities, it is proposed that a responsible "Group of Principals" including representatives of the relevant ministries be established under the leadership of the State Secretary for Trade and Promotion.
- "The Group of Principals" should work towards harmonised appropriation directions for the underlying agencies and it should be given responsibility for coordinating the distribution of resources.
- The role and mandate of the Council for the Promotion of Sweden in coordinating work on the image of Sweden abroad needs to be adapted to the proposed "Group of Principals". Activities abroad and funding of initiatives promoting Sweden are prerequisites for involvement with the Council for the Promotion of Sweden.
- It is proposed that the MFA initiate a review of the acts, ordinances and instructions that govern the Swedish Trade Council's activities. A procedural agreement on forms of col-

laboration and division of labour should be concluded between the MFA and the Swedish Trade Council.

- The general rule should be that the Swedish Trade Council establish its offices abroad as private legal subjects. In countries where activities in this form are not possible or appropriate, the Trade Council should be able to request that the Government establish a trade office under new regulations.
- Synergies between investment promotion and export promotion indicate a need for strengthened and organisational cooperation between Invest Sweden and the Swedish Trade Council.
- The link between development assistance and trade, and the divided responsibility for import issues indicate that a coherent import promotion function should be procured.
- The MFA should continue to work for stronger synergies between trade promotion activities and development cooperation to their shared and mutual benefit.

## Section 5.2 Clearer roles within development cooperation

### Proposals:

- The MFA needs to strengthen its capacity to create synergies between aid policy and other aspects of foreign policy.
- The division of roles between the MFA and Sida must be clearer, and both must become stronger in their roles.
- The MFA should define the ministry's expectations of Sida's organisation and competence in light of Sida's mandate in Sweden and vis-à-vis recipient countries.
- The MFA's competence as the body that prepares the Government's aid policy decisions, and that is responsible for steering the Agency should be strengthened considerably.
- The MFA's formal policy guidelines to Sida should be limited in number, and be more like framework documents.
- Regular and trust-based informal methods of consultation and dialogue between the MFA and Sida should be developed further.

- When it comes to the recruitment and professional development of staff, the MFA Human Resources Department should take account of the MFA's increased responsibility for the orientation of development cooperation.
- The MFA should consider the extent to which the current division of responsibility for multilateral development cooperation between the ministry and Sida is adapted to purpose.
- Sida should complete its own reforms, with a view to becoming an agency for implementation, follow-up and quality assurance of development cooperation.
- Sida should place great emphasis on its task as a dialogue partner and principal to those it engages to implement activities .
- Sida should ensure that it has an appropriate system of results-based management.
- The embassies' role as implementing units, under the leadership of the ambassador, should be made even clearer. Embassies must see themselves as working units to tackle all tasks that present themselves – not as an MFA section and a Sida section.
- There should be an increased delegation of development cooperation to the embassies. This means that embassies in aid recipient countries should have heads of mission with competence and interest in leading development activities.
- The right to issue instructions to embassies with regard to the implementation of approved programmes should remain with Sida.

### **Section 5.3 The Foreign Service's provision of statutory duties and other services<sup>1</sup>**

#### **Section 5.3.1 General principles for demand-driven activities**

##### **Proposals:**

- Funding principles of demand-driven activities should be developed so that resources change more in accordance with

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<sup>1</sup> Consular service, visa and migration issues, and other related activities.

variations in the number of cases, and so that better long-term planning is possible.

- Guidelines and information regarding social aspects of the relation to customers should be developed.
- The MFA needs to further develop training measures for statutory duties in general, and in particular for how to treat people who approach the embassies and consulates with various needs.
- The Inquiry does not recommend a new structure or organisation for statutory duties within the Foreign Service. Clearer budgetary division and systems to allow cost follow-up per activity meet the requirements that led to this being included in the terms of reference.

### Section 5.3.2 Consular and legal activities

#### Proposals:

- Cooperation between the Foreign Service and Swedish government agencies affected by consular activities needs to be strengthened, and the agencies' responsibilities clarified.
- The role of the MFA Consular Affairs and Civil Law Department with regard to management, follow-up and monitoring of consular activities at the missions should be strengthened.
- The Government Offices' emergency preparedness organisation should be reviewed to avoid any overlaps and uncertainties. This can be achieved within the planned review of the Government Offices.
- The development of the IT system for dealing with consular matters should be completed, and the system should be introduced throughout Sweden's foreign representation.
- The MFA Consular Affairs and Civil Law Department should conduct a review and subsequently implement measures to make the handling of legal matters in the foreign representation more efficient.

- The MFA should draw up guidelines concerning the scope of those parts of the service provided by the Foreign Service that are not set in other regulations.
- There should be regular investigations of Swedish citizens' knowledge of the consular services available and, when necessary, awareness-raising initiatives should be implemented.

### Section 5.3.3 Management of migrations issues

#### Proposals:

- The consultation function established by the Government between the Government Offices, the Swedish Migration Board and the National Police Board (the Helga group) should be given a stronger strategic role in both implementing and participating in the preparation of a coherent Swedish migration policy.
- The MFA's Stockholm-based capacity in the area of migration must be strengthened in order to improve activities in the field, create capacity for international analysis and be able to contribute effectively to preparing policy and legislation in this area. At the MFA, migration issues should be placed in the Department for Consular Affairs and Civil Law.
- Recruitment to more of the purely migration-related positions should be opened up, so that greater use can be made of external competence, for example from the Swedish Migration Board.
- The implementation of the European Visa Information System (VIS) should be given priority and the opportunities it offers for increased efficiency should be seized.
- Obstacles to further development of migration activities must be removed. For example, Schengen countries that represent Sweden should be permitted to reject visa applications, and opportunities for outsourcing should increase.

## Chapter 6 Creating a more efficient Swedish Foreign Service

### Section 6.2 Analysis, policy formulation, management and follow-up of Foreign Service activities

#### Proposals:

- The simplified and more strategic activity planning process that is currently being introduced into the Swedish Foreign Service is welcome.
- The ministry's leadership must manage activities and administration coherently and strategically.
- The overarching mandate of the State Secretary for Foreign Affairs to lead and coordinate the work of the Foreign Service as a whole must be clarified. The mandate of the Director-General for Administrative Affairs should be strengthened and linked to that of the State Secretary for Foreign Affairs.
- A secretariat tied to the leadership should be established to coordinate analysis activities, policy formulation and planning.
- Analysis activities at the MFA must be strengthened. Planning and coordination of major projects and general priorities should be handled by the secretariat.
- The MFA must improve follow-up of activities and use of resources. The combined use of quantitative and qualitative methods should be determined by activities.
- The follow-up system must make it possible to assess the use of resources per policy-area/activity, so that the ministry leadership can manage and set priorities.
- A format for feedback on the Foreign Service's overall activities to the Riksdag should be developed.
- Ongoing needs for streamlining and operational development must be identifiable and lead to changes. Heads of department, heads of missions and the Director-General for Administrative Affairs should be given a clear mandate to absorb and act on ideas for change in the organisation.
- The MFA's inspection function should be strengthened. The Inspectorate's mandate could also include inspection of ministry departments in Stockholm.

### Section 6.3 Well balanced and predictable resource allocation

#### Proposals:

- The reinforcements of activities proposed could be enabled by reforms of the Foreign Service proposed in the Inquiry's final and interim reports.
- An agreement concerning a conversion principle for Foreign Service costs incurred abroad must be made.
- Exchange readjustments for Foreign Service costs incurred abroad should be maintained by the established principle.
- The planning process for the placement of Sweden's foreign representation and activities proposed in section 4.2. should also include discussions concerning resources.
- Follow-up that reflects the resource consumption of various activities should be used for a discussion of funding, including the level of appropriation frameworks, of foreign representation commitments.
- For reasons of efficiency, internal charging within the Government Offices should be avoided.
- The MFA should consider a review of various regulatory frameworks and routines for fee-financed activities, with the aim of examining relevance, compliance and level of cost recovery.

### Chapter 7 Strategic skills provision to meet the needs of the organisation

#### Proposals:

- The role and responsibility of the MFA Human Resources Department in ensuring an integrated supply of staff needs to be strengthened (attracting, recruiting, placing, developing, retaining and phasing out staff).
- It is proposed that the Swedish Foreign Service formulate a long-term skills provision plan based on the needs of the organisation and the opportunities created by future change-overs of skills.

- The proposals contained in the interim report (SOU 2010:32) to the effect that it should be possible to give locally employed staff more qualified and independent assignments should be implemented.
- The MFA's Swedish Diplomatic Training Programme is clearly justified in terms of the needs of the organisation and should be retained.
- MFA recruitment, exchanges and fixed-term contracts involving in-depth competence in areas where there are particular needs should be strengthened.
- Administrative skills need to be strengthened in the Foreign Service. Increased group selection for an administrative programme (exercise of powers vis-à-vis individuals, leadership and management) should be developed.
- The Government Offices traineeship programme should be reinstated with the aim of strengthening the concept of a single authority. This should work in close collaboration with the MFA Diplomatic Training Programme.
- It is proposed that methods and incentives be devised to increase mobility between the Foreign Service and other parts of the Government Offices in the form of job exchanges.
- The duration of the majority of placements in the MFA, and in some cases in the rest of the Government Offices, need to be adapted to the situation that applies in Sweden's foreign representation.
- Increased internal mobility within the Government Offices must not come to the detriment of the MFA's operationally justified mobility in terms of Swedish government agencies, organisations and the business sector.
- Initiatives are required to get more Swedish officials into international organisations, not least EU bodies.
- The MFA skills database should be developed to allow strategic skills provision. The system must make it possible to gain an overview of the skills and experience of staff.

- The possibility of introducing written assessments of employees' performance linked to operational objectives should be examined.
- A more long-term and systematic career dialogue with all employees must be the goal within the Foreign Service.
- It is proposed that the work of the preparatory group on managerial appointments be formalised in the MFA work procedure.
- The new Income Tax Act for state employees posted abroad requires revision.
- The MFA should produce an action plan to make it easier to staff hardship posts abroad and follow up proposals on increased security at certain missions abroad and for staff there.
- The MFA needs to gain a picture of the total cost of skills development and periodically analyse the impact of various measures.