

Strategy for regional development
cooperation with Asia focusing on

Southeast Asia

September 2010 – June 2015



REGERINGSKANSLIET

Government Offices
of Sweden

Strategy for regional development cooperation with Asia focusing on Southeast Asia until 30 June 2015

Summary

This strategy shall guide Sweden's regional development cooperation with Asia focusing on Southeast Asia for the period up to and including 30 June 2015. The basis of the strategy is Sweden's policy for global development. Strategic choices have been made based on assessments of development in the region, the lessons learned and results from previous cooperation projects, the profiles and undertakings of other donors and Sweden's thematic priorities and comparative advantages.

Southeast Asia is a very contrasting region with major differences in development and income levels between countries, between rural and urban areas, between different population groups and between women and men and girls and boys. A high level of economic development has led to a reduction in the number of poor people, but many still live below the poverty line. It has also contributed to rapid urbanisation and put considerable strain on natural resources and ecosystems. The impact of climate change on the region is serious. Insufficient protection of human rights and widespread corruption are evident in most of the countries. Regional integration and cooperation have been weak in Southeast Asia. However, a trend towards greater integration within ASEAN (*Association of Southeast Asian Nations*) has been evident in recent years. Many of the economic, social and environmental problems in the region can be explained by poor governance and weak capacity of government institutions and by the limited influence of civil society.

The overarching objectives of Sweden's regional development cooperation with Asia focusing on Southeast Asia are greater respect for human rights, more sustainable use of natural resources and

planning for communal services for people living in poverty, and increased regional integration.

The perspective of poor people on development and a rights perspective shall be the points of departure for the development cooperation and the dialogue. Regional cooperation shall be focused on Southeast Asia, but it will allow for a small number of particularly justified cooperation programs in South Asia and support to a few pan-Asian actors. The cooperation shall focus on regional transboundary challenges or problems shared by several countries and where regional support is expected to lead to more positive results than individual bilateral initiatives. The support shall mainly be aimed at enhancing the capacity of regional actors.

Swedish cooperation shall concentrate on three cooperation areas: 1) environment and climate, 2) sustainable communal services and 3) democracy and human rights. Within the framework of the strategy, support shall also be provided for research and trade-related cooperation. Gender equality shall be pursued as a thematic issue. Sweden's strategic dialogue shall promote respect for human rights and sustainable environmental and climate measures.

Overarching objectives for aid effectiveness are: an increased proportion of programme-based approaches in accordance with the aid effectiveness principles in the Paris Declaration, and increased alignment, donor coordination and harmonisation both on the regional level and the programme level. Regional cooperation shall look for synergies with and supplement Swedish bilateral development cooperation in Asia.

Swedish regional development cooperation (with Asia focusing on Southeast Asia shall amount to approximately SEK 1 125 million (EUR 120 million) during the strategy period.

1. Overall objectives and priorities, goals and priorities for aid effectiveness, and overarching dialogue issues

1.1 Overall objectives and priorities

In accordance with the overarching objective of Swedish development cooperation, Swedish regional cooperation with Asia shall help create conditions that will enable poor women and men to improve their lives and, in accordance with the objective of Sweden's policy for global development, shall contribute to fair and sustainable global development. The two fundamental perspectives in the policy for global development, the poor people's perspective on development and the rights perspective, shall pervade the cooperation as a whole. Four principles shall guide the cooperation: participation; non-discrimination; openness and transparency; and responsibility and accountability.

Two of the Swedish Government's three thematic priorities, environment and climate and democracy and human rights, will have an impact on the cooperation as a result of the choice of cooperation areas. The third priority - the promotion of gender equality and the role of women in development - shall be safeguarded by Sweden ensuring that gender equality aspects pervade projects and programmes within each cooperation area respectively via dialogue, integration and monitoring.

The overarching objectives of Sweden's regional development cooperation with Asia focusing on Southeast Asia for the period 1 July 2010 - 30 June 2015 are greater respect for human rights, more sustainable use of natural resources and planning for communal services for people living in poverty, and increased regional integration.

Sweden's regional cooperation with Asia shall seek to improve the capacity of countries and partners to address regional transboundary challenges or problems shared by several countries and where solutions can best be sought in regional cooperation. The cooperation shall be based on the demand, needs and priorities of regional actors. The support shall primarily aim to improve the capacity and institutional development of regional actors who originate from or are established in the region, such as regional intergovernmental institutions and NGOs.

The regional cooperation shall be focused on Southeast Asia, but it will allow for a small number of subregional cooperation programs in South Asia, as well as for support to a limited number of pan-Asian actors. Swedish stakeholders can play an important role in the various cooperation areas. Within the regional cooperation, Sweden shall strive to work together with and utilise the knowledge and experience of Swedish actors such as universities, civil society, government agencies and the business sector. Where conditions are favourable, partner driven cooperation can be applied.

Sweden shall work to ensure that research and research findings are put to better use when the cooperation strategy is implemented. The aim shall be to link researchers from collaborating universities and research institutions with other partners involved in Swedish development cooperation.

ASEAN (*Association of Southeast Asian Nations*) has broadened its scope and has become more strategic. ASEAN's priorities are relevant for Swedish regional development cooperation. However, ASEAN's institutional capacity is limited, which limits the scope for direct cooperation. Sweden shall monitor how ASEAN develops and shall when possible look for closer cooperation with the Association and its institutions within each of the areas of cooperation. When given the opportunity, Sweden shall also work to strengthen the position of ASEAN as a regional actor.

If considered necessary, a mid-term review of the regional cooperation can be conducted in 2013 after consultations between the Swedish Ministry for Foreign Affairs and Sida. The aim of such a review would be to revisit the focus of the strategy in the light of results achieved and the development in the region, in order to assess whether changes to the scope and the volume of assistance are required. Consultations shall be conducted between the Swedish Government Offices/Ministry for Foreign Affairs and Sida prior to any changes.

1.2 Goals and priorities for aid effectiveness

The strategy's overarching objectives for aid effectiveness are:

- a larger proportion of programme-based approaches in accordance with the principles of aid effectiveness in the Paris Declaration and
- increased alignment, donor coordination and harmonisation both on the regional and the programme level.

Sweden shall actively promote implementation of the principles of increased aid effectiveness in the Paris Declaration and the Accra Agenda for Action in order to achieve better and more cost-effective results from the cooperation. The Paris Declaration and the Accra Agenda for Action are currently only being implemented to a limited extent in regional cooperation as there is no overarching mechanism for the coordination of regional issues and initiatives among donors. However, there is efficient donor cooperation in most of the programmes, primarily within the environmental field, which Sweden has been instrumental in establishing and underpinning. Sweden's role as a promoter of donor coordination and harmonisation shall be further reinforced, both on the regional and the programme level. Donor coordination, harmonisation and alignment to cooperation partners' own systems and processes shall be defining attributes of the cooperation. Sweden's regional development cooperation shall be implemented in accordance with the principles of the European Union's Code of Conduct on Complementarity and Division of Labour in Development Policy.

The starting-point for the regional cooperation shall be to take a programme-based approach and to provide core support to organisations. Sweden shall consistently try to align the support to the priorities, plans and administrative and financial systems of its cooperation partners. Sweden shall actively encourage other donors to apply the same approach.

Sweden shall utilise and reinforce synergies between different aspects of the programme portfolio, especially regarding democracy and human rights and regarding the environment and climate. Regional cooperation shall also look for synergy effects with and supplement Swedish bilateral development cooperation in Asia.

Sweden shall work to strengthen cooperation partners in their application of and capacity to use results based management in cooperation projects.

In the annual strategy reports, Sida shall report on how research and research findings have been used when implementing the cooperation strategy, as well as on how gender equality issues and trade-related support have been promoted.

1.3 Overarching dialogue issues

Sweden's strategic dialogue shall promote the respect for human rights and sustainable environmental and climate measures. In the dialogue, Sweden shall also foster greater alignment, donor coordination and harmonisation in accordance with the Paris Declaration.

Sweden shall pursue four strategic dialogue issues as a complement to the financial support it provides to contribute to fulfilment of the strategy objectives:

- Increased equality between men and women.
- The importance of strengthened management of transboundary environmental and climate issues as well as adaptation to climate change.
- Sustainable use of natural resources and acknowledgement of the role and value of ecosystem services.
- Greater respect for human rights, especially the rights of people belonging to vulnerable and discriminated groups.

The strategic dialogue shall be pursued both regionally and multilaterally and within the framework of Sweden's EU cooperation. On the overall policy level, Sweden shall seek opportunities for dialogue with regional decision-makers, representatives from civil society, donor representatives and other relevant actors, such as the business sector. At the programme level, Sweden shall pursue dialogue within the programme management framework at annual reviews, preferably together with other donors aiming at achieving greater impact for priority issues.

The dialogue in the environmental field shall continue to promote coordination of key regional actors and build on cooperation initiated during the previous strategy period. Sweden shall build on the experience gained through the activities of Sida/SENSA in order to continue to encourage regional environmental and climate cooperation. Sweden shall also continue to strengthen cooperation between regional actors and the Swedish resource base.

Sweden shall work to reinforce dialogue opportunities and pursue opportunities to exert strategic influence within the framework of ASEM, within the areas of human rights and the environment and climate. Together with other donors, Sweden shall also underpin regional platforms and fora to increase the scope for innovative and strategic dialogue.

The dialogue with the *Asian Development Bank* (ADB) within the framework of the strategy shall focus on influencing the bank to give priority to transboundary issues in its activities to a greater extent than currently is the case. Other important dialogue issues are the ADB's poverty focus and integration of issues concerning gender equality, environmental and climate aspects and hiv/aids in the bank's activities.

2. Sectors

Swedish regional cooperation shall be focused on the following three sectors: 1) environment and climate, 2) sustainable communal services and 3) democracy and human rights. Support for research cooperation and trade-related support shall also be given, primarily within the sectors of the strategy.

2.1 Sector 1: Environment and climate

In the cooperation area of environment and climate, two focus areas have been identified:

2.1.1 Focus area 1: Integration of environmental aspects into decision-making

Focus area goal

Increased focus on environmental aspects in local, national and regional decision-making processes.

Direction

To achieve this goal, Sweden shall work to ensure that within economic planning and development, environmental aspects, including climate issues, are taken more into consideration. The support shall be focused on regional actors working to promote the development and application of working methods and approaches, such as strategic environmental assessments and environmental economic analyses in local, national and regional decision-making processes. Support shall also be given to initiatives that increase regional actors' knowledge about and capacity for better adaptation to climate change.

Sweden shall work for the internalization of environmental costs and climate impacts into planning, decision-making and budget processes. Sweden should likewise contribute to the development of economic instruments that promote sustainable use of natural resources and fair distribution of the benefits.

Support shall also be given to civil society, political actors and elected assemblies in order to strengthen the demand and capacity for greater accountability on the local, national and regional level.

*2.1.2 Focus area 2: Sustainable use of natural resources for improved livelihoods**Focus area goal*

More sustainable use of natural resources and ecosystem services for the benefit of people living in poverty.

Direction

Sustainable use of natural resources is crucial in order to contribute to a better environment and climate. Sweden shall therefore support capacity-building (including the development of laws and regulatory frameworks and monitoring, surveillance and supervision tools) in order to strengthen the management of and knowledge about natural resources in the region, and to improve the management of transboundary environmental problems.

Based on Swedish comparative advantages, particular consideration shall be given to chemicals management. Support aimed at strengthening

regulatory frameworks governing environmentally harmful trade can also be provided.

Furthermore, Sweden shall work to give local communities possibilities to utilise ecosystems sustainably and adapt to climate change, thereby safeguarding food production and other ecosystem services. These efforts shall promote the participation of local communities in planning and decision-making processes, and include rights aspects.

Sweden shall work to strengthen the capacity of countries and groups to comply with and participate in international and regional agreements. The areas of biodiversity, ecosystem services and fisheries management are particularly relevant considering Swedish comparative advantages.

2.1.3 Cooperation with other donors

Cooperation with bilateral donors such as Denmark, Finland, Norway, Canada, the United States and Australia, and with multilateral organisations, shall be further developed and reinforced. Greater cooperation with Japan, South Korea and China is highly relevant to explore in this sector.

2.2 Sector 2: Sustainable communal services

2.2.1 Sector goal: More integrated and sustainable communal services.

2.2.2 Direction

In this sector, one focus area has been identified:

Urban planning and infrastructure

To fulfil the goal, support shall concentrate on capacity building in the field of integrated urban planning by means of a regional exchange of experience, the central components of which are method development and regional network-building. The support shall promote urban development, including sustainable land use, that is firmly supported by public administration, the private sector and civil society.

Environmental and climate issues shall be considered and integrated. The participation, needs and rights of poor people shall be particularly emphasised.

Sweden shall support greater access to basic, sustainable infrastructure for poor people by strengthening regional institutions and building capacity. Economically, socially and environmentally sustainable systems for power trade and supply are central issues and should be given priority. Sweden should strive for an increased proportion of renewable energy in partner countries' energy systems, greater energy efficiency and use of technology that reduces carbon emissions, and more access to sustainable energy sources for poor people. Support to initiatives that create conditions for replication on a regional level of innovative local solutions can also be considered. Collaboration and dialogue with regional civil society organisations shall be promoted to strengthen their powers of scrutiny and influence.

2.2.3 Cooperation with other donors

Cooperation shall above all be further developed with multilateral organisations, chiefly ADB and the World Bank, but also with bilateral donors such as Germany.

2.3 Sector 3: Democracy and human rights

2.3.1 Sector goals: Strengthened regional actors and systems for greater respect for and compliance with human rights.

2.3.2 Direction

To fulfil this goal, two focus areas have been identified:

i) Institutions, mechanisms and instruments for the protection and promotion of human rights and human rights defenders.

Sweden shall promote the development of an effective regional HR mechanism in Southeast Asia. Activities shall be focused on regional exchange of experience and cooperation among national HR institutions in the region, regional civil society organisations whose work is aimed at promoting human rights and, when possible, capacity support of ASEAN's regional HR commissions. The aim of the support to civil society is to promote scrutiny and advocacy as regards the commissions' fulfilment of their respective mandates and development, and to empower vulnerable individuals to assert their human rights. Given Swedish comparative advantages, women and discriminated

groups (such as people affected by hiv/aids, LGBT persons, people with disabilities and ethnic minorities) shall be given special priority.

ii) Freedom of expression and the right to information

Sweden shall contribute to developing free and independent arenas for information dissemination, networking, accountability, documentation of human rights violations, election monitoring etc., by providing support for regional actors who work to promote freedom of expression and the right to information, including freedom of the media. These rights are also a means of promoting environmentally sustainable development in the region and adaptation to the effects of climate change. Therefore, it shall also be possible to provide support to regional actors who work with environmental and climate information and impact. The use of new media and forms of communication, e.g. information and communication technologies (ICT), shall be promoted.

2.3.3. Cooperation with other donors

Cooperation with donors is mainly made up of private foundations and international NGOs, such as the *National Endowment for Democracy* and the *Ford Foundation*, but also with bilateral donors and multilateral organisations, such as Switzerland, Canada and Australia, and the UN Entity for Gender Equality and the Empowerment of Women (UN Women) and the UN High Commissioner for Human Rights and her office (OHCHR) and shall be further developed.

2.4 Cross-sectoral cooperation

Research cooperation shall continue to be an important part of the regional cooperation and focus on the priority cooperation areas. The support shall contribute to research that is relevant for poverty reduction. It shall also aim to increase the capability of partner countries and regional research actors to plan, implement and use research in the fight against poverty. The scope for co-financing regionally relevant research programmes in partnership with major Asian donors should be investigated, especially in the environmental field where different countries in the region, irrespective of technical development and welfare, can be adversely affected by the same environmental impact.

Trade-related support aimed at enhanced regional integration should be given to strategic regional actors and institutions, primarily within the strategy's cooperation areas. The support should focus on strengthening the negotiating capacity of poor countries and strive for simplified and more harmonised regulations and their enforcement.

Programmes aimed at influencing businesses to enhance their Corporate Social Responsibility (CSR) should be considered within the framework of each cooperation area respectively.

Development loans and guarantees can be used as ways of financing environmental measures provided that they are deemed relevant and strategic. Courses that are part of Sida's international training programme (ITP) can supplement regional initiatives.

2.5 Cooperation on the regional level with other donors

The Asian Development Bank (ADB) is an important partner for Sweden in its regional cooperation with Asia. More frequent contact and more opportunities for dialogue about and with the ADB shall therefore be sought during the strategy period. The support shall provide clear added value to the region and adopt a clearly regional approach. It shall also be in keeping with Sweden's other priority issues vis-à-vis the ADB as specified in the Work Plan for Sweden's Cooperation with the ADB. A dialogue on the support shall be pursued at regular consultation sessions between the Swedish Government Offices and the relevant agencies. Organisation-wide support to the ADB, e.g. as regards the environment and hiv/aids, shall be assessed in terms of the potential long-term impact of the support in the organisation.

Cooperation with strategically important and like-minded donors such as Denmark, Finland, Norway, Canada, the United States and Australia shall be further developed, as well as with relevant multilateral actors and the EU, which, as a result of its common development cooperation policy, is one of the largest and most influential actors in the region. Sweden's support shall supplement initiatives taken as part of the EU's common development cooperation policy. Furthermore, Sweden shall relate to and consider closer cooperation with major Asian donors such

as Japan, South Korea and China, bearing in mind their growing significance in the region.

Of the other multilateral actors, it is primarily the World Bank, the UN Environment Programme (UNEP), the Food and Agriculture Organization (FAO), the UN Development Programme (UNDP) and OHCHR who are relevant cooperation partners. Similarly, the most important partners regarding trade are UNESCAP (*United Nations Economic and Social Commission for Asia and the Pacific*), ADB, the World Bank, the World Customs Organization (WCO) and the EU (through its common development cooperation policy).

3. Amount

The amount of aid shall be approximately SEK 1 125 million (about EUR 120 million) during the strategy period. The annual amount shall be approximately SEK 225 million (EUR 24 million). The proportion of support targeting the cooperation area of democracy and human rights should be increased during the strategy period.

4. Risk management

4.1 Corruption

Corruption is widespread in the majority of countries in the region and constitutes a major obstacle to development. All assessments of cooperation initiatives shall be guided by thorough risk identification and risk management to achieve set objectives and combat corruption. The fight against corruption shall pervade Swedish initiatives. At the programme level, it is very important to create efficient systems for follow-up and accountability, and that continuous monitoring is performed. Support should also be given to strategic anti-corruption work within each cooperation area and to overarching anti-corruption measures with regard to the programme portfolio as a whole.

4.2 Regional development

There is tension both within and between certain countries in the region. The risk of regional or internal conflicts breaking out and

jeopardising fulfilment of the strategy objectives is however considered to be limited.

Southeast Asia is a high-risk region in terms of natural disasters. Hurricanes, floods, etc., with serious consequences for the population occur often and can affect the conditions for fulfilment of the goal.

Any changes in these conditions that are caused by the above mentioned risks must be tackled by ensuring flexibility in projects and programmes. The regional cooperation contributes to reducing these risks, both by promoting regional cooperation and integration and via the chosen sectors.

5. Consensus

Sweden has had diplomatic relations with all the countries in Southeast Asia for many years and has missions in many of them. The emphasis of the relations with several of the countries has to a large extent been on development cooperation. Sweden has had longstanding commitments in several countries, laying the foundations for good relations and contacts and creating trust and respect for Sweden as a country. The nature of the relations is changing, however, as a result of the bilateral development cooperation in many of the countries being phased out. Sweden is now developing the relations and the trust built up as a result of the development cooperation.

Asia continues to be an increasingly important market for Swedish trade. Looking at Asia as a whole, the largest markets are China, India, Japan, South Korea and Singapore. Indonesia, Hong Kong, Thailand and Malaysia are also important markets. Trade constitutes a significant element of Sweden's relations with Southeast Asia. The development has generally been positive with the exception of a decline in the last few years as a result of the global economic crisis. Several of the countries in the region constitute important import markets for Sweden and the Swedish business sector has widespread representation in several of them. Corporate Social Responsibility is therefore of major significance and an area where Sweden and Swedish businesses can play a constructive role. Tourism to the region is substantial and growing.

Human rights is a Swedish priority and is also important in political relations with Asia. Sweden has established bilateral HR dialogues with Cambodia, Indonesia and China.

Developments in Asia are of central importance for the global environment and for Sweden's environment and climate policy. Swedish and European environment and climate policy in turn affects the scope for adaptation and sustainable development in Asia. Sweden has cooperation agreements in the environment and climate area with key countries such as China and India but also globally with multilateral fora. During climate negotiations, Sweden has particularly highlighted adaptation issues with the aim of enhancing the capacity of developing countries to tackle the consequences of climate change and to safeguard their right to development.

Cooperation in research and education with Asia is being pursued mainly with China, Japan, India and South Korea. Sweden also has bilateral research cooperation agreements with these countries. Cooperation with Singapore is also relatively extensive. Other research and education exchange in Southeast Asia chiefly involves Vietnam and Thailand. Several Swedish universities and university colleges, such as the Swedish University of Agricultural Sciences and Karolinska Institutet, have signed agreements on cooperation with parties in the region.

Sweden is an actor in the region also through the EU. The EU has come closer to Southeast Asia in recent years, by for example initiating negotiations on partnership and cooperation agreements with several countries. An initial agreement has been drawn up between the EU and Indonesia and negotiations about an agreement have been concluded between the EU and the Philippines. Negotiations on free-trade agreements between the EU and ASEAN are also underway. The cooperation between the EU and ASEAN has been formalised with regular meetings at, for example, foreign minister level. Another forum for dialogue and cooperation between Europe and Asia is the *Asia Europe Meeting* (ASEM), in which 16 Asian countries and the ASEAN secretariat make up the Asian delegation and the EU Member States and the European Commission are on the European side. The EU has also formalised HR dialogues with several countries: China, Indonesia, Laos and Vietnam.

6. Considerations with regard to the focus of the strategy

Southeast Asia is a very contrasting region with major differences in development and income levels between countries, between rural and urban areas, between different population groups and between women and men and girls and boys. High economic growth has led to a reduction in the number of poor people in the region over the last ten years, but many of them still live under the poverty line and income gaps have widened. Economic development has also led to rapid urbanisation, over-exploitation of natural resources and strain on the ecosystems. The impact of climate change on the region is serious. A democratic deficit can be observed in some countries and a lack of respect for human rights is evident in most countries, as is widespread corruption. Intra-regional trade is relatively well developed, but some countries lack the capacity to make use of the opportunities presented. Many of the economic, social and environmental problems in the region can be explained by poor governance and weak capacity of state institutions and by the limited influence of civil society.

Regional integration and cooperation have generally been weak in Southeast Asia. A trend towards increased integration within ASEAN (Association of Southeast Asian Nations) has been evident in recent years. Concrete steps have been taken through the adoption of the ASEAN charter in December 2008. ASEAN has also drawn up action plans for closer integration within a number of areas. Human rights have appeared on the agenda as a result of the establishment of the ASEAN Intergovernmental Commission on Human Rights (AICHR).

South Asia is the sub-region of Asia with the greatest proportion of poor people and economic, social and environment-related problems are extensive. Climate change is expected to have major consequences here. However, the conditions for adopting a regional approach in development cooperation in South Asia are less favourable, due partly to poorly developed intergovernmental cooperation.

Sweden is one of few donors adopting a clear regional approach. The cooperation areas of the previous strategy were: 1) the environment and sustainable use of nature resources, 2) democracy and human rights, 3)

hiv/aids and 4) research cooperation. Climate was added as a priority in 2008. The geographical focus of the cooperation has been Southeast Asia, with a few programmes in South Asia and support to pan-Asian actors.

The environment and sustainable use of natural resources, including climate initiatives have made up the largest cooperation area, about 50-60 % of the total volume. Support has been provided for institution and knowledge building, the development of public opinion, exchange of experience and information dissemination through partnerships between regional actors, national governments and the civil society. In the area of democracy and human rights, a number of strategic initiatives have been implemented making up about 10 % of the portfolio volume. Support has been provided for lobbying at the regional and global level as well as for capacity building and information dissemination. Support has mainly been given to regional networks of NGOs. In the area of hiv/aids support has been given in the form of a limited number of strategic but volume-wise significant projects. The sector has made up about 20 % of the portfolio. Support to research has constituted about 10 % of the total volume and has mainly been used to strengthen regional research networks focusing on the environment and sustainable use of natural resources. Climate issues have become increasingly prominent during the strategy period.

The general assessment is that the results of initiatives have been positive. Sweden as an actor enjoys a high level of trust and respect in the region as a result of its longstanding commitments and is seen as a neutral partner. The Swedish resource base has been actively involved in the cooperation implemented and dialogue pursued to date. Most of the initiatives in the area of environment and natural resources are considered to have been of strategic importance. Similarly, in the area of democracy and human rights, the initiatives are mostly considered to have been relevant and effective. In hiv/aids it is still difficult to assess the long-term results of the programmes. The focus of hiv/aids initiatives during the period has shifted from health to rights aspects.

Regional cooperation shall continue to focus on Southeast Asia in order to build on the experience gained to date and because the added value of the cooperation is considered to be greatest in this region.

Environmental issues, sustainable use of nature resources, sustainable

infrastructure and the planning of communal services and the effects of climate change continue to be crucial for the development of the region. To a great extent, these issues are transboundary and well suited to being tackled by means of regional cooperation. Respect for human rights, good governance and greater gender equality are also vital for development. There is also clear added value as regards these issues in promoting emerging regional cooperation. They are also priority issues where Sweden has comparative advantages and can play a strategic role. The value of continued Swedish preventive and health initiatives as regards hiv/aids is considered to be limited. However, Sweden may continue to have a role to play as regards the rights aspects of hiv/aids. Support to research cooperation is considered to be of continued major significance. The greatest added value of research cooperation within the framework of regional cooperation is achieved by implementing it within the sectors stipulated in the strategy to help achieve the objectives. Increased regional cooperation and integration are vital for the region's development. Regional development cooperation contributes to promoting this in all the strategy's sectors. Regional economic cooperation and trade are important driving-forces of regional integration and development. By providing support to enhance the capacity of certain countries in the trade area, Sweden can contribute to greater integration in the region and thereby create more employment and livelihood opportunities for poor people.



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