CIVIL SOCIETY SPOTLIGHT REPORT
on Sweden’s implementation
OF THE 2030 AGENDA
Recommendations and review of actions taken ahead of High-level Political Forum 2021
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Stockholm 2021

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# TABLE OF CONTENTS

## INTRODUCTION .................................................................................................................. 4
- About the report .................................................................................................................. 5
- The organisations behind the report .................................................................................. 6

## SWEDEN AS A GLOBAL ACTOR FOR CHANGE CONCERNING THE IMPLEMENTATION OF THE 2030 AGENDA .................................................................................................................. 7
- A coherent policy for global sustainable development .......................................................... 8
  - Recommendations ............................................................................................................ 8
  - Sweden’s policy ............................................................................................................... 9
  - Rating ............................................................................................................................... 10
- Civic space and civil society participation ............................................................................. 11
  - Recommendations ........................................................................................................... 11
  - Sweden’s policy .............................................................................................................. 12
  - Rating .............................................................................................................................. 13
- Leave No One Behind ......................................................................................................... 14
  - Recommendations .......................................................................................................... 14
  - Sweden’s policy .............................................................................................................. 17
  - Rating .............................................................................................................................. 19
- Feminist Foreign Policy ....................................................................................................... 23
  - Recommendations .......................................................................................................... 23
  - Sweden’s policy .............................................................................................................. 24
  - Rating .............................................................................................................................. 25

## CONFLICTS OF INTEREST ................................................................................................. 27
- Peace .................................................................................................................................. 28
  - Recommendations ........................................................................................................... 28
  - Human security and arms exports ................................................................................... 29
  - Nuclear weapons and disarmament ................................................................................ 31
  - Conflict-prevention work ............................................................................................... 32
- Climate ............................................................................................................................... 36
  - Recommendations .......................................................................................................... 37
  - Climate finance ............................................................................................................... 37
  - Investments and public support to activities related to fossil fuels .................................... 39
  - A just transition .............................................................................................................. 41
  - Consumption-based emissions ....................................................................................... 42
- Business and human rights .................................................................................................. 45
  - Recommendations .......................................................................................................... 45
  - Corporate and state responsibility for human rights ....................................................... 45
  - Public procurement requirements ................................................................................... 48

## FINANCING FOR DEVELOPMENT ....................................................................................... 50
- Introduction .......................................................................................................................... 51
- Recommendations ............................................................................................................. 51
- Tax avoidance and transparency .......................................................................................... 52
  - Background ..................................................................................................................... 52
  - Sweden’s policy .............................................................................................................. 53
- Capacity building for taxation and global decision-making .................................................. 53
  - Background ..................................................................................................................... 53
  - Sweden’s policy .............................................................................................................. 54
- Commitments to international aid ......................................................................................... 55
  - Background ..................................................................................................................... 55
  - Sweden’s policy .............................................................................................................. 55
- Mobilise financial resources to low and middle-income countries ...................................... 56
  - Background ..................................................................................................................... 56
  - Sweden’s policy .............................................................................................................. 57
- Unsustainable debt and debt relief ....................................................................................... 58
  - Background ..................................................................................................................... 58
  - Sweden’s policy .............................................................................................................. 58
INTRODUCTION

The world is currently facing great challenges with growing hunger, increased oppression, declining democracy and climate change that threatens the existence of humanity and the planet. The corona pandemic has devastating consequences for people’s health, access to education, the economy, the environment, democracy, gender equality and human rights. It clearly demonstrates just how interconnected the world really is, and that this requires global solutions. At the same time, the deep and structural long-term challenges facing the world even before the pandemic, such as climate change, loss of biodiversity and threats to human rights, are both highlighted and amplified.

Sweden is often praised for its work on the 2030 Agenda and the Global Goals for Sustainable Development. In recent years, it has topped several international reviews. However, Sweden must not sit back and be complacent as several challenges remain; we are witnessing an increase in inequality in several areas and so far Sweden only achieves one of its 16 national environmental quality objectives which are central to sustainable development\(^1\). Sweden’s actions must be measured on the basis of its opportunities as a rich country – and from that perspective there are major shortcomings. In several policy areas the commitments to contribute to sustainable development are not reflected in the political decisions made. Further, the 2030 Agenda must not only be about national circumstances and national policies. Sweden also has a responsibility to ensure that the agenda is implemented globally.

The world is interconnected. On the basis of this, Sweden needs to strengthen its long-term efforts for sustainable global development with renewed vigour. That work must be based on human rights, a poverty perspective and the limitations of the planet.

Sustainable development and human rights belong together, like two sides of the same coin, and they must never be separated. We hope that Sweden's new human rights institute\(^2\) will be part of Sweden's implementation of the 2030 Agenda, both nationally and globally.

Since 2006, civil society in Sweden has been examining Sweden's Policy on Global Development (PGD). Since 2016, we have also examined Sweden's work on the 2030 Agenda, and to what extent Sweden's actions are in line with the goal that all policy areas contribute to fair and sustainable development (Policy Coherence for Sustainable Development).

Our ongoing reviews show that, regardless of government, the policy coherence promised is lacking in several policy areas. Moreover, the handling of conflicts of interests has been unclear, as have the motives of why different decisions have been made. Global sustainable development takes time, requires long-term perspectives and innovation beyond specific policy areas. It is a responsibility of both the government and the parliament.

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Sweden has the potential to be a global actor for change with respect to the 2030 Agenda, both today and beyond. Our history of openness, respect for human rights and an accessible education tradition (folkbildning), combined with a strong civil society, are important components in the implementation of the 2030 Agenda. In this report, we present our perspective and provide recommendations to the Swedish parliament and government on the way forward.

Since 2018, Sweden has had a minority government consisting of the Social Democrats (S) and the Green Party (MP). The government has a cooperation agreement with the two centre parties, the Liberals (L) and the Centre Party (C). The next parliamentary election will be held in 2022. We welcome the fact that Sweden has, during this governmental term, chosen to make a voluntary report to this year's High-level Political Forum (HLPF) under the auspices of ECOSOC.

This is our spotlight report from the perspective of Sweden as a global actor for change for the 2030 Agenda.

ABOUT THE REPORT

In this report, we examine Sweden’s implementation of the 2030 Agenda with a focus on how Swedish policy affects poverty reduction, human rights and sustainable development outside Sweden's borders. It is CONCORD Sweden's joint spotlight report to Sweden's voluntary report on the global follow-up of the 2030 Agenda.

We have chosen to examine the government's implementation of the 2030 Agenda based on three aspects:

1. **Thematic areas where we see that the government has high ambitions to be a global actor for change.** Here we have chosen to highlight both good and questionable actions within Swedish policy.

2. **Thematic conflicts of interests where Swedish policy affects human rights and poverty reduction outside Sweden's borders.** Here, we have chosen to rate Sweden's policy based on how well the government has performed in a way that is clearly in line with a rights and poverty perspective. We also assess whether it is in line with the goal that all Swedish policy should contribute to fair and global sustainable development.

3. **Sweden's contribution to financing the implementation of the agenda globally.** Here, too, we have rated Sweden’s policies. We have assessed how well the government has performed in a way that is clearly in line with a rights and poverty perspective. We also assess whether it is in line with the goal that all Swedish policy should contribute to fair and global sustainable development.

The report does not cover all parts of Sweden's implementation of the 2030 Agenda or Sweden's policy for global development. Instead, it focuses on some key areas where we see that Sweden's policy particularly affects sustainable development and poverty reduction, and where participating organisations can contribute with their expertise. An important part of the report concerns recommendations on the way forward.
THE ORGANISATIONS BEHIND THE REPORT

The authors of this spotlight report are Swedish civil society organisations that work with global development, environmental and rights issues. They are also all members of CONCORD Sweden.

CONCORD Sweden, the coordinator of the report, is a platform that works with member organisations to gather deep understanding and bring together extensive experience of international development and foreign affairs issues.

There is information in each respective chapter on which organisations have provided analysis and have given the recommendations.

ACT CHURCH OF SWEDEN
ACTIONAID SVERIGE
AFRIKAGRUPPERNA
AMNESTY INTERNATIONAL IN SWEDEN
DIAKONIA
FAIR ACTION
FAIRTRADE SWEDEN
FORUMCIV
FRAMTIDSJORDEN
THE HUNGER PROJECT SWEDEN
THE KVINNA TILL KVINNA FOUNDATION
IM SWEDISH DEVELOPMENT PARTNER
ISLAMIC RELIEF SWEDEN
THE LIFE & PEACE INSTITUTE (LPI)
MYRIGHT
MÄN
THE NATIONAL COUNCIL OF SWEDISH YOUTH ORGANIZATIONS (LSU)
OPERATION 1325
OXFAM SVERIGE
PLAN INTERNATIONAL SWEDEN
PRO GLOBAL
SAVE THE CHILDREN SWEDEN
SVALORNA LATINAMERIKA
SWEDISH MISSION COUNCIL
THE SWALLOWS INDIA BANGLADESH
THE SWEDISH ASSOCIATION FOR SEXUALITY EDUCATION (RFSU)
THE SWEDISH FEDERATION FOR LESBIAN, GAY, BISEXUAL, TRANSGENDER AND QUEER RIGHTS (RFSL)
THE SWEDISH PEACE AND ARBITRATION SOCIETY
THE SWEDISH SOCIETY FOR NATURE CONSERVATION
SWEDWATCH
UNICEF SWEDEN
UNITED NATIONS ASSOCIATION OF SWEDEN
UNION TO UNION
WAR CHILD SWEDEN
WATER AID
WE EFFECT
WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM (WILPF) SWEDEN
WWF SWEDEN
SWEDEN AS A GLOBAL ACTOR
for change concerning the implementation of the 2030 AGENDA
A COHERENT POLICY FOR GLOBAL SUSTAINABLE DEVELOPMENT

The contents of this chapter are based on our understanding of a coherent policy for global sustainable development, and how well Sweden’s efforts live up to this. We also evaluate whether Sweden has established the necessary structures or mechanisms to facilitate a coherent policy for global sustainable development.

The challenges facing the world today require clear political will and action on all levels. This presupposes that we envisage national and global interests as one, and also ensures that Sweden contributes to realising a more sustainable world. This benefits both Sweden as an individual country and the world at large. The 2030 Agenda gives us the opportunity to create the conditions for global sustainable development today and for future generations in an integrated way. We welcome the fact that Sweden has integrated a coherent policy for global sustainable development into the overall parliamentary goal for the 2030 Agenda. However, the absence of a national action plan with concrete goals makes the follow up process on the objectives difficult.

RECOMMENDATIONS

The Swedish government should:

- Create a new national action plan for the 2030 Agenda that is based on a coherent policy for global sustainable development, and defines how shortcomings in implementation and goal conflicts are to be handled by the government.

- Develop public and timely action plans and guidelines for the ministries with concrete goals that can be monitored, and that systematically show how the government should manage conflicts of interests and shortcomings in implementation.

- Clearly highlight, in Sweden’s results report on the 2030 Agenda, how Sweden works with a coherent policy for global sustainable development with a focus on how Sweden intends to manage conflicts of interests and interests, both in the short and long term.

WHAT ARE THE OBSTACLES? CONFLICTS OF INTERESTS IN SWEDISH POLITICS

Conflicts of interest arise when decisions within one policy area go against a country’s own ambitions for sustainable global development. This could include Sweden exporting arms to warring parties in Yemen, while the government is working to end the conflict at the same time. There are seemingly conflicts of interest. On the one hand, there is a will to provide export opportunities to the Swedish arms industry. On the other hand, such trading negatively impacts human rights and has far-reaching consequences for people affected by conflict and oppressive regimes. These people cannot make themselves heard in Swedish politics. However, through the promise of a coherent policy for sustainable global development, their rights and perspectives will be taken into account when political deci-
vions are made, and when decision-makers determine what is actually in Sweden’s interests in specific cases. By highlighting the long-term effects, risks and perspectives that are otherwise forgotten, it may even transpire that what is good from a global perspective is also the best for Sweden. In this way, some cases of conflicts of interests can be resolved.

Conflicts of interest in Swedish politics must not simply be regarded as potential conflicts, but instead as real problems that have a real impact on people’s lives. We want to make them visible in order to contribute to more coherent Swedish policies, guided by human rights and global sustainable development instead of short-term interests. Our ongoing assessments show that, regardless of government, the handling of conflicts of interest has been unclear, as have the reasons as to why certain decisions were made. Global sustainable development takes time, requires long-term thinking and innovation beyond specific policy areas. It is a responsibility of both the government and the parliament.

A coherent policy for global sustainable development that leaves no one behind requires all policy areas to be striving in the same direction. Policies must be analysed and guided by human rights, and by what is good for global sustainable development. This includes both governmental and parliamentary decisions where conflicts of interest must always be analysed and handled systematically in all decision-making processes, and where synergies are sought. This is a prerequisite for achieving the 2030 Agenda with its 17 Global Goals for Sustainable Development (SDGs). With guidelines for implementation and monitoring that include conflicts of interest and synergies, Sweden can take important steps to help the goals to be achieved.

SWEDEN’S POLICY

In 2003, there was a unanimous parliamentary decision about Sweden’s policy on global development. Sweden became the first country in the world to adopt this groundbreaking policy. In the Treaty of Lisbon, the EU has a similar policy, the “Policy Coherence for Development”. The European Commission’s Working Programme from January 2020 also puts the 2030 Agenda right at the centre.

Since 2015, the government has launched a number of different initiatives that support the implementation of the 2030 Agenda. Examples include the climate policy framework, the industrial boost (industrilyftet), a relaunching of Sweden’s policy for global development, the investment on the conservation and protection of biological diversity in development cooperation, the Swedish Delegation for the 2030 Agenda, a national coordinator and an ambassador for the 2030 Agenda. The mission of the 2030 Agenda delegation was to provide proposals for Sweden’s implementation of the 2030 Agenda based on cross-sectoral dialogue, and these were presented as a final report in 2019. The report was then submitted for a round of consultations in the same year. The national coordinator was appointed in the spring of 2020 with a broad mandate to anchor and disseminate information.

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“Sweden will implement the 2030 Agenda for an economically, socially and environmentally sustainable development through a coherent policy both nationally and internationally. The implementation must be characterized by the agenda’s principle that no one should be left behind.”

Sweden’s overall goal for the 2030 Agenda was adopted by the Swedish Parliament in 2020.

RATING

In 2020, the Swedish Parliament adopted the bill on Sweden’s national implementation of the 2030 Agenda with an overall goal that contains both policy coherence and the principle of “leaving no one behind.” The Parliament went further and decided that future governments should submit a report every two years that evaluates the government’s work on the 2030 Agenda.

With Sweden’s policy for global development from 2003 onwards, Sweden went further than the 2030 Agenda through a consistent rights perspective. The government’s continued assessment from 2020 is that a coherent policy for global sustainable development means that it must be characterised by a poverty and a rights perspective. Adopting a poverty perspective means that priorities for people living in poverty should form the basis for all of Sweden’s policy areas. The rights perspective means that the government must use human rights as a starting point and analyse, for example, how the policy promotes or inhibits the right to food, health or access to human security.

Sweden lacks an action plan or road map for the path towards 2030. The last one expired in 2020. This is something that civil society has pointed out on several occasions. If, for example, we compare Finland’s efforts including voluntary reporting in 2020 and the cycle for implementation, follow-up and reporting that has been developed, it becomes clear that Sweden’s lack of a clear strategy and action plan contributes to time-pressured and jerky responses, which also affect the possibility of meaningful interactive dialogue. We feel that the shared responsibility between the Ministry for Foreign Affairs and the Ministry of the Environment, together with a national coordinator with a partially different mandate, has rather reinforced the lack of a centralised motor instead of achieving clarity.

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This chapter presents examples of how Sweden, through its foreign policy, acts for the democratic space of civil society globally, and a comparison is made to the process of follow-up on the 2030 Agenda. CONCORD Sweden has participated in the official delegations to the HLPF since 2015, and has a working group that works to counter global trends of shrinking civic space.

RECOMMENDATIONS

The Swedish government should:

• **Create a national forum** for the implementation of the 2030 Agenda with a diverse range of actors in society, which contributes to ownership, understanding and commitment with respect to both local and global sustainable development. The forum should highlight the links between local and global perspectives.

• **Ensure flexible funding for engagement, communication and public education** concerning the 2030 Agenda and complex global relationships. Funding must be made available to organisations that work for the inclusion of children and young people both nationally and internationally, and for informal groups that want to create change regarding the ability of marginalised groups to participate and exert influence.

• **Further promote civic space globally** through increased and more flexible support to local movements, religious actors and human rights and environmental defenders, more systematic dialogue with civil society, clear instructions to embassies to engage with local groups, and a coherent foreign policy that always respects democracy and human rights.

The 2030 Agenda was created through a broad consultative process that resulted in a strong focus on inclusion in several of the goals. Civic participation is highlighted in Target 16.7, which strives to “ensure responsive, inclusive, participatory and representative decision-making at all levels”. This ambition stands in stark contrast to the anti-democratic forces that restrict civil society’s possibilities to operate freely and participate in decision-making processes in an increasing number of countries, as well as at the global level. These negative trends have continued in the wrong direction since the agenda was adopted.¹²

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¹² CIVICUS Monitor, “Civic Space on a Downward Spiral”, 2020, Civic Space on a Downward Spiral - Civesus Monitor 2020
SWEDEN’S POLICY

Sweden generally promotes the participation and space of civil society through its foreign and development policy. In its international development cooperation, this is reflected in both working methods and thematic priorities. The objectives of Swedish development cooperation include promoting an enabling environment for civil society.\(^{13}\) In 2019, about 20 percent of the aid budget went to civil society actors\(^ {14}\), and of all thematic programmes, the one on human rights and democracy received the most funding, and it includes significant support to civic engagement and to human rights and environmental defenders. There are also examples of Sweden promoting civil society participation in international forums. Civil society representatives are at times included in Swedish delegations to UN meetings.

Dialogue on development cooperation between the Ministry for Foreign Affairs and Swedish civil society is institutionalised through joint commitments\(^ {15}\), and civil society actors are regularly invited for consultations on major development cooperation. In addition, dialogues are held on other foreign policy issues, including ahead of major international meetings. These ongoing dialogues and consultations are appreciated, but not always perceived to be systematic or to give possibility of exerting meaningful influence.\(^ {16}\) The contacts between Swedish embassies and local organisations vary between countries and should be prioritized further as the threats against human rights defenders are widespread and increasing in many contexts.

Since 2019, all Swedish foreign policy has been guided by a ‘Drive for Democracy’. This means that Sweden aims to stand up for democratic principles in all contexts, and civic participation and a vibrant civil society are highlighted as central aspects.\(^ {17}\) The initiative has, among other things, meant further strengthening of democracy assistance\(^ {18}\), and foreign authorities have arranged a large number of activities, including 70 ‘Democracy Talks’ that have provided space for civil society.\(^ {19}\) The Drive for Democracy is also a priority in Sweden’s OSCE Presidency in 2021. The initiative is welcome, although the lack of an action plan makes it difficult to examine whether it has led to more systematic efforts to counter threats to civic space.

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14 OpenAid, “Sweden’s aid to all recipients via Non–governmental organisations (NGOs) and civil society in all sector categories year 2019”, Sweden’s aid to all recipients via Non–governmental organisations (NGOs) and civil society in all sector categories year 2019 | Openaid
15 Swedish Government Offices, ”Riktlinjer för dialog och samverkan mellan utrikesdepartementet samt utlandsmyndigheterna och civilsamhällesorganisationer inom utvecklingssamarbetet”, 2020, civilsamhallet-riktlinjer-for-dialog-och-samverkan.pdf (regeringen.se)
17 Swedish Ministry for Foreign Affairs, ”Demokratisatsningen tar form” 2019, Demokratisatsningen tar form - Regeringen.se
18 Swedish Government Offices, ”Regeringens satsning på demokrati förstärks”, 2020, Regeringens satsning på demokrati förstärks - Regeringen.se
19 Swedish Government,”Utrikesdezlarationen 2021”, 2021, Utrikesdezlarationen 2021 - Regeringen.se
RATING

As for Sweden’s follow-up on the 2030 Agenda, which involves both foreign and domestic ministries, stakeholder engagement and civil society participation have varied.

For the international follow-up process of the 2030 Agenda, civil society has each year been invited to participate in Swedish delegations to the HLPF, and it has to some extent been able to contribute to statements made there. Sweden has also advocated for broad stakeholder engagement at the HLPF, and in statements and processes concerning the review of the forum.

The absence of a clear strategy and action plan for the implementation of the agenda makes meaningful engagement in monitoring and follow-up of the agenda challenging. Sweden also lacks a national forum for broad stakeholder engagement that would contribute to ownership, understanding and commitment with respect to both local and global sustainable development.

The process of developing Sweden’s voluntary national review report ahead of the 2021 HLPF has not lived up to the same level of inclusive and meaningful participation that Sweden advocates. Sweden’s report has not included broad cross-sectoral dialogues about Sweden’s work with the 2030 Agenda. Nor has there been any joint evaluation of the implementation or discussion of the way forward. The opportunities for engagement that have been provided have either taken place on the initiative of CONCORD Sweden or as one-off events. A broader consultation at ministerial level was only held in the final stages of the process. In sum, civil society’s opportunities to contribute to the voluntary reporting have been limited in comparison with the 2017 reporting process.
LEAVE NO ONE BEHIND

Organisations who have contributed with analysis and endorse the recommendations: Act Church of Sweden, MyRight, Plan International Sweden, PRO Global, the Swedish Federation for Lesbian, Gay, Bisexual, Transgender and Queer Rights (RFSL), Save the Children Sweden, UNICEF Sweden

This chapter exemplifies the effects of the pandemic on different groups based on the organisations’ expertise, as well as both a rights perspective and an intersectional perspective. By partially linking Sweden’s actions nationally with the aim of being an engine for implementation on a global level, we want to assist in providing recommendations for the way forward.

The pandemic has reinforced inequalities and marginalization in many ways. Those who were most marginalised before the pandemic, are also the ones hardest hit by the long-term consequences. Therefore, the ongoing pandemic must be one of the starting points in the current discussion concerning the commitment to leave no one behind (LNOB).

In our work, we prioritise developing and highlighting the commitment to LNOB. It is therefore to be regarded as very welcome that the Swedish government has also taken important steps in terms of both understanding and methodology. In 2020, Sweden submitted a policy paper to the HLPF, and in the autumn of the same year, Statistics Sweden (SCB) published its status report on Sweden’s implementation of the 2030 Agenda from the perspective of LNOB.

RECOMMENDATIONS

The Swedish government should:

• Continue working on both the methodology and financing of development initiatives to ensure that the commitment to LNOB is applied throughout the implementation of the 2030 Agenda.

• Increase the use of impact assessments that take into account the needs and abilities of different groups before planning and implementing national, foreign and development policies, not least in the reopening phase of communities that have been locked down as a result of COVID-19.

• Ensure a fair distribution of vaccines by continuing to actively support COVAX and a rapid increase in access to vaccine. Also make sure that the most vulnerable countries and groups – not least in refugee camps – receive the vaccine and medical equipment.


• Provide support through the development of social programmes via development cooperation, for people in the most vulnerable phases of life. Examples of this include general child benefit and retirements pensions. Provide support to actors driving developments in this direction and support the initiative for a Global Fund for Social Protection, and make an initial payment into the fund.

• Highlight and strengthen the child rights perspective in Sweden's foreign and development policy to ensure that a generation of children is not lost due to the pandemic.

• Follow the advice of UN human rights experts and bring home children from Syria with their parents.

• Ensure that different groups of different ages and abilities have a say, have influence and can contribute to the work with the 2030 Agenda. Ensure representativeness and create opportunities for meaningful participation in the form of dialogue opportunities – physical, as well as in digital and hybrid-form.

Experiences of the COVID-19 pandemic
The global crisis brought on by the pandemic reinforces existing injustices and sheds light on the extensive exclusion that affects groups already vulnerable. Group-specific analyses based on an intersectional perspective are needed to fully understand the consequences of the pandemic. All 17 SDGs are affected by the pandemic.22

Vaccination against COVID-19 is a clear example of when the commitment to leave no one behind is necessary for the welfare of everyone. The COVAX initiative will ensure global access to the vaccine. However, to date, the vaccine has largely been supplied to high-income countries.23 In addition to cost, the fair distribution of the vaccine also very much comes down to production capacity – the vaccine is of course completely new. Moreover, too few voluntary manufacturing licenses have been made available, and the international production chain make the production sensitive to export bans on important input goods. In addition, high-income countries are holding on to more doses than they actually require for their own population.

Lack of gender equality means that the situation for women and girls, especially those with disabilities, has worsened even further during the pandemic. Organisations in all regions bear witness to how the crisis has led to economic stress, which in combination with patriarchal structures and greater isolation has contributed to increased violence. The UN has estimated that gender-based violence in the world has increased by 30 percent during the pandemic.24

While the elderly in Sweden have suffered high death rates and isolation, the Swedish social protection system has shielded them from numerous economic challenges. In many countries, public pensions are entirely lacking, and in other countries they are extremely low. Underdeveloped digitalisation and many countries’ demands for isolation, have made it impossible for the elderly to collect their pensions. Locked-down communities have caused both young and old to lose their livelihoods. While this affects the individuals directly, it also impacts children and the elderly who depend on such income. While the health service has needed to focus on the pandemic, the elderly have been specifically affected with other healthcare services being delayed. Despite the fact that the elderly have been so hard hit by the pandemic, their perspectives and voices have seldom been more silent. The rights of older people to contribute to society and determine their own lives must be respected.

Children have been disproportionately hard hit by the pandemic, in particular vulnerable children such as those with disabilities. Child poverty is increasing globally for the first time in decades, and between 7 to almost 10 million children are at risk of dropping out of school. Girls around the world are badly affected by lockdowns. There is an increased risk of them being exposed to gender-based violence, child marriage and/or female genital mutilation. We also know from previous crises that girls who are forced to stop going to school run a greater risk of not returning when schools reopen. Children are dependent on adults taking responsibility for ensuring their needs and rights. At the same time, they are actors of change and their participation in society is central. Children have the right to speak and be heard.

The pandemic really exacerbated many of the problems that the LGBTQI communities were already facing before. LGBTQI people, who are often involved in precarious labour and are typically overrepresented in business sectors affected by the pandemic, faced unemployment and were also frequently excluded from the crisis relief programmes rolled out by governments. Civil society organisations, especially those working on LGBTQI-issues, were not included in the process of planning of the relief programmes or asked to provide feedback. In states where LGBTQI identities are criminalised or their rights are limited in other ways, the possibility of civil society to assist the community members is even narrower.

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Once societies open up again we have a unique opportunity to redesign them to be inclusive and accessible. This must be done in consultation with a broad range of civil society actors with representation from discriminated groups. No groups are homogeneous, and all of them include individuals with different abilities and needs. The commitment to leave no one behind is about progress to include all groups that are currently facing discrimination. The commitment is particularly crucial for the most vulnerable groups who are among those who are furthest from having their human rights met.

**HUMAN RIGHTS AND THE GLOBAL GOALS**

According to research conducted by the Danish Institute for Human Rights, 92 percent of SDG indicators are linked to international human rights instruments. In practice, this means that states could benefit from incorporating recommendations from the human rights system – the treaty bodies, Universal Periodic Review (UPR) and other international conventions or Special Procedures – into their 2030 Agenda implementation plans, as well as reporting to the HLPF on sustainable development.

Most often, the recommendations included in the UPR have direct reference and should have a direct impact on policy and programme development, and could thus contribute to a more robust implementation of the 2030 Agenda. A lack of follow-ups on human rights recommendations have direct consequences for sustainable development, addressing inequalities, discrimination, and fighting poverty or exclusion.

**THE ICON**

Civil society in Sweden took the initiative to produce a visualisation of LNOB using the same design language as the goals and targets of the SDGs. The aim was to focus on people and demonstrate inclusion.

The icon was developed through a broad consultation process and was shared in social media across all continents during its launch week in 2019. It is now available as an open source on www.globalgoals.org and is used by both organisations and authorities.

**SWEDEN’S POLICY**

**The COVID-19 vaccine – a global resource?**

“No one is safe until everyone is safe.” This reaction to the fact that the vast majority of all vaccine doses have been given in high-income countries have been repeated by world leaders. Vaccination against COVID-19 is a clear example of when the commitment to leave no one behind is necessary for the welfare of everyone. Sweden has both a responsibility and a self-interest in ensuring that COVID-19 is fought on a global scale.
It is particularly important that the most vulnerable countries and groups – not least in refugee camps – receive the vaccine and medical equipment.\textsuperscript{31}

Sweden and the EU are participating in the COVAX initiative to develop vaccines and ensure that they benefit people in all countries. Sweden is now the biggest donor to COVAX counted per capita. However, it is not just a matter of costs but of limited access to vaccine that makes the distribution of vaccine unequal.

At the international level, there is an intense discussion about whether exceptions to the rules of intellectual property law, including patents, could accelerate an increase in production. The debate has gained new momentum since the United States expressed support for the proposal for an exemption presented by South Africa and India in the autumn of 2020 and supported by the WHO and a number of researchers, religious leaders and organizations in the People’s Vaccine campaign. Irrespective of the significance of a possible exception, that cannot be more than a first step. Many more measures need to be taken, from the abolition of export restrictions and increased transparency in contracts with companies regarding pricing and technology transfer, to strengthened logistics for vaccination by securing cold chains and training of health workers. Companies can play a crucial role by allowing licensed production of their vaccines to a significantly greater extent.

Sweden is a major donor to Covax and has shared 1 million surplus doses. However, Sweden has been passive in the internationally intense debate on the importance of intellectual property rights in increasing access to vaccines. Sweden needs to work even harder to counteract vaccine nationalism and for a fair distribution of vaccines by pushing for more countries to urgently donate doses to a greater extent and refrain from stopping exports of vaccines and health equipment. Sweden should also play an active role in the discussions about the long-term lessons of how the world community has handled the pandemic and how we better prepare for the future.

**Universal social protection**

Sweden has good experience of a general welfare model (universal social protection), where broad social insurances such as child benefit, parental leave, pensions and health insurance are supplemented with targeted support for people with special needs. Research clearly shows that social protection systems that support all people in vulnerable phases of life – especially during childhood, illness and disability, parenting, unemployment and aging – are also the most effective way to reach the most vulnerable. Social protection systems that are to a greater extent based on targeted and means-tested systems tend, in practice, to exclude many people in the intended target group, and also risk causing stigma. Public pensions and child benefits are more costly, but can be started on a small scale and gradually expanded to include larger age groups. It is also easier to garner popular and political support for broader security systems, which makes them more sustainable in the long term.

During the COVID-19 crisis, the need for social protection systems has increased dramatically throughout the world, and virtually all countries have also significantly increased their social support provisions. However, the expansion has been completely insufficient, and above all unevenly distributed. In order for the increased focus on social protection created by the pandemic to contribute to long-term and powerful advancement, international support for building broad social security systems needs to increase. The global commitment of a so-called social protection floor that shows the basic level that all countries should implement is a first and important step. A broad coalition of civil society organisations is now supporting a proposal for a Global Fund for Social Protection, prepared, among others, by the UN Special Rapporteur on Human Rights and Extreme Poverty. Sweden's support for the development of social protection in low-income countries has increased in recent years, mainly through financing poverty-oriented programmes. Today, Sida supports social cash benefits in 13 countries, mainly in Africa. The programmes are usually implemented in collaboration with various UN agencies or the World Bank.

**RATING**

Ahead of the HLPF 2020, Sweden emphasised the importance of universal social protection. In the same year, the Swedish International Development Cooperation Agency (Sida) became a member of the Global Partnership for Universal Social Protection 2030 (USP2030).

Although Sweden claims to support the vision of universal social security, targeted support is mainly financed on the basis of poverty levels. Such a selection method has been shown to lead to greater arbitrariness and poorer accuracy than universal systems, which risks excluding vulnerable people. Sida’s response to such criticism and new decisions concerning various initiatives show a certain difference in prioritisation with respect to the implementation of Swedish development assistance and the political vision of alternative models such as pensions or child benefits.

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32 Delmål 1.3 i Agenda 2030 och ILO rekommendation 2020.


34 “Sweden's experiences from the last century resonate with current research showing that universal programmes are more effective than poverty-targeted programmes in reaching both their intended recipients and those living in extreme poverty. - Sweden's experience from universal social protection programmes is valuable in the growing global discussion on how universal social protection programmes can be implemented in different country contexts, and how existing targeted protection systems can potentially become more universal over time.” Government of Sweden, 2020, Sweden and The Leaving No One Behind Principle - Nationally and Globally. https://www.regeringen.se/informations-material/2020/07/sweden-and-the-leave-no-one-behind-principle/


LGBTQI-people's rights
LGBTQI persons in Sweden and around the world generally face poorer health, higher risk of suicide and worse financial security than heterosexual people. Transgender people are particularly vulnerable, since they are often excluded as a group. In many countries, assault and hate-motivated murder are commonplace for transgender people, especially those in prostitution.

Sweden plays a crucial role in the reporting of the implementation of the 2030 Agenda, by showing other states how the work for LGBTQI people's rights and living conditions can and should be included. As the 2030 Agenda does not specifically mention LGBTQI people, explicit inclusion in planning, implementation and reporting will be crucial.

In development cooperation, Sweden should ensure that programmes aimed at improving the situation for LGBTQI people are based on an understanding of the specific challenges that LGBTQI people and organisations face. With respect to the humanitarian work and financing of initiatives, Sweden must ensure that LGBTQI people are included as a target group and that this humanitarian support reaches them.

We call on Sweden to increase support for the participation of civil society in work that takes place within the UN system, and to consistently condemn attacks on the rights of LGBTQI people. Sweden’s voice is needed to counter the growing opposition that is now coming from anti-gender movements and the exclusionary policies pursued by many member states. We also call on Sweden to increase political and financial support for the mobilisation of trans and intersex movements that are particularly excluded both in terms of funding and representation.

RATING

Sweden has made some progress in recent years regarding transgender people's rights on a national level, as legislation on hatred and incitement to hatred has been extended to include gender identity and gender expression. Sweden has also awarded damages to transgender people who were forced to undergo forced sterilisation in order to change their legal gender. The reforms represent progress that Sweden can use as good examples in the work on the LNOB principle. In 2021, Sweden has also adopted an LGBTQI action plan to strengthen the rights of LGBTQI people and formulate forward-looking policies for equal treatment, an action plan that also includes intersex people.

In 2020, after the UPR, Sweden chose not to accept any recommendations addressing national challenges connected with sexual orientation, gender identity or sex characteristics. In practice it will entail that no policies, programmes or laws will be introduced. That will impact LGBTQI people's lives with respect to wellbeing, access to education, health care services and workplaces, to name a few. This in turn will have a negative effect on their quality of life and possibility to reach their full potential.
Sweden is communicating different things nationally and internationally. As early as 2014, the European Parliament adopted a resolution on the rights of LGBTQI people, in which the need for a gender equality law that satisfies transgender people's right to dignity and physical integrity was included. Nevertheless, Sweden still has a Gender Assignment Law, which means that a person must undergo care in order to change their legal gender, something that was reformed in Sweden’s neighbouring countries Norway and Denmark several years ago.

The disability perspective in international development cooperation

Every fifth person living in poverty has a disability. People with disabilities around the world are still among the poorest in most societies and they are subject to widespread discrimination in all levels of society. The situation is worst for girls and women. Swedish development cooperation does not reach children, young people and adults with disabilities to a sufficient extent, and the feminist foreign policy has not adequately included girls and women with disabilities.

RATING

 princípio regarding disability, which means that the group has been consistently made invisible in everything from information material and governing documents for reports, evaluations and global initiatives. Sida's use of the DAC disability marker shows that only 0.17 percent (2018), 0.32 percent (2019) and 0.51 percent (2020) of all Sida's initiatives featured people with disabilities as the primary target group.

Children and young people

Children and young people are given priority in Sweden's implementation of the 2030 Agenda. However, there are no well-defined approaches to involving children and young people in a meaningful and systematic way. Children should be seen as rights holders and actors in their own right, with a right to influence decisions that affect them. They are not a homogeneous group, but people with different experiences and personal issues. The Ombudsman for Children as well as child rights organisations have expertise in promoting children's participation, and that expertise could be used more in the work on the 2030 Agenda.

Children and children's rights need to be mentioned specifically in important policy documents such as foreign declarations and strategies. The fact that this has happened to a lesser extent in recent years means that children also risk being left out of Sweden's foreign and development policy. Lately, Sweden has shown a reduced commitment to children in conflict, following the very active years in the Security Council, when there was even appointed a special ambassador for the issue. We had also wanted clearer involvement from Sweden in the alliance to stop violence against children (Global Partnership

to End Violence Against Children), where Sweden has been a so-called Pathfinder country. On the other hand, children are hardly mentioned in Sweden’s new humanitarian strategy.

We must ensure that the COVID-19 pandemic does not become a lasting crisis for children. The world’s systems and regulations must always protect children and their families, not just during a crisis.

**RATING**

Sweden incorporated the UN Convention on the Rights of the Child (UN-CRC) into law in 2020. Children’s best interests are given greater priority and are taken into account to a greater extent than before. There is greater awareness of children’s perspective among the Swedish government, which becomes evident when they appoint investigations or give authorities government assignments.

On the other hand, the fact that the Convention on the Rights of the Child has become Swedish law is not something that is now reflected in its global efforts. Children’s rights must be a high priority in Sweden’s foreign and development aid policy. However, this is not seen in the overall policy documents for development cooperation, its Foreign Policy Declaration, Sweden’s goals concerning the 2030 Agenda, or in thematic and regional strategies. The child rights perspective is also not a clear part of the analyses of the rights perspective. Furthermore, there is a lack of special child rights expertise within Swedish authorities and ministries that work with development and foreign policy. The Government’s work and clear expression of its desire to strengthen children’s rights must cover all policy areas, including a strong child rights perspective in development assistance.

The Global Partnership to End Violence Against Children (SDG 16.2) has not been as successful as we had hoped. Sweden has taken on the role of a Pathfinder country and we therefore hope for a clearer commitment from Sweden in the coming years.

For more than two years, almost 40 Swedish children have been detained with their mothers in camps in north-eastern Syria. They are kept under inhumane conditions that pose a threat to their lives. These children have really been left behind. They are malnourished, and they do not have access to health care, education, security and protection. The Swedish government can stop the violations of children’s rights by taking them home with their mothers, which is also what UN human rights experts recommend. The Global Goal 16 is about reducing violence around the world, protecting children from abuse, exploitation and human trafficking, promoting the rule of law and ensuring access to justice. Strengthening the rule of law and promoting human rights is central in Sweden’s foreign policy and the key to peaceful inclusive societies. But this hinges on whether or not the principles apply to everyone and without exception. Bringing home the children is therefore a question of credibility and of policy coherence.
This chapter examines the importance of Sweden continuing to pursue a strong feminist foreign policy, and it provides a number of examples of how this policy can be developed. In 2014, Sweden became the first country in the world to express its ambition to pursue a feminist foreign policy. CONCORD Sweden has been assessing this policy ever since.³⁹

Achieving gender equality and the empowerment of all women and girls is both a goal in itself and a necessary foundation for reaching the other ambitions articulated in the 2030 Agenda. The implementation of the 2030 Agenda, has been characterised by the fact that we are living in a polarised world, where authoritarian and anti-democratic leaders gain ever more power and influence. Authoritarian and right-wing populist regimes seldom protect women’s and girls’ rights advocates or LGBTQI activists. Sweden has an important role to play in making its strong feminist voice heard within the international community. Sweden is also an important source of funding for the global efforts on gender equality and the rights of vulnerable groups.

RECOMMENDATIONS

The Swedish government should:

• Continue to be a strong promoter of SDG 5 and SDG 3, and push for gender equality and women’s and girls’ rights to be seen as both goals in themselves and necessary prerequisites for the achievement of the 2030 Agenda as a whole.

• Continue to highlight and counteract anti-feminist forces and those who use the COVID-19 pandemic to further stifle the space for the gender equality movement. In an era of polarisation, Sweden should also intensify its efforts to build bridges and networks with new actors when working on gender equality and sexual and reproductive health and rights (SRHR) issues, including progressive religious actors, traditional leaders and the business sector.

• Advance and clarify the fact that foreign affairs authorities’ efforts on the 2030 Agenda must include the defence and promotion of the democratic space for defenders of women’s, girls’ and LGBTQI rights. Foreign affairs authorities should include a clearer gender equality perspective in their work on promoting trade and entrepreneurship. This should also include taking into account and consulting women small farmers, entrepreneurs and those who work for women’s land rights.

• Increase aid investments into initiatives that seek to change deep-rooted and harmful social norms on gender roles, masculinity, femininity and sexuality, as an important step in the work on the root causes of poverty and in fulfilling the transformative approach of the 2030 Agenda.

• Act to make Swedish development cooperation more strategic in supporting local movements that promote gender equality in various ways, including women’s and girls’ rights advocates, SRHR and LGBTQI organisations, and organisations that work with gender equality from a life cycle perspective. Sweden should work to ensure that UN Women – where Sweden has a strong voice – improves its work with local organisations.

SWEDEN’S POLICY

In autumn 2014, the Swedish government launched a feminist foreign policy, a political stance that was welcomed by the civil society. At the same time, it did not involve a dramatic political shift, but rather a strengthening of a position that has existed for many years. Gender equality has been a priority for Swedish development policy since 1996. There has also been widespread agreement in the Swedish parliament on the importance of working for SRHR. The feminist foreign policy also had considerable support among the Swedish electorate – a Sifo poll from August 2014 showed that 47 percent of the Swedish electorate regarded themselves as feminists, and as many as 72 percent thought the issue of gender equality was “quite important” or “very important” when choosing a political party to vote for.41 When Sweden launched its policy, it became the first country in the world with such a pronounced political ambition. Since then, Canada, Spain, Luxembourg, France and Mexico have followed Sweden’s example by launching a feminist development policy, and discussions about following the same path are now being held in both the UK and Australia.

In the wake of the pandemic, gender-based violence has increased dramatically. Movement restrictions and lockdowns has meant that many women and girls have been isolated with their perpetrators, without opportunity to seek outside help. The number of child, early and forced marriages and girls subjected to female genital mutilation has also increased. An additional 13 million girls are at risk of child marriage in the next few years,42 with devastating consequences for their health, wellbeing, educational opportunities and development.

Even before the pandemic, it was estimated that approximately 300,000 women and young girls die each year from complications of pregnancy and childbirth. Globally, maternal mortality is the most common cause of death among teenage girls between age 15 and 19.43 When health resources are redirected to tackling other needs as a result of the pandemic, this situation risks deteriorating further.

41 Swedish radio, “Almost every second voter is a feminist”, 2014, https://sverigesradio.se/artikel/5941874
43 Ibid.
In many places, opposition to gender equality, women’s rights and SRHR has intensified in recent years. Authoritarian rulers have used the COVID-19 pandemic to further stifle the democratic space for movements that work to promote greater equality. Sweden’s feminist foreign policy plays an important role here by highlighting and counteracting the influence of anti-feminist forces and the violations of vulnerable groups that take place in the shadow of the pandemic.

Discriminatory legislation and social norms regarding masculinity, femininity and sexuality make it difficult for women, girls and LGBTQI persons to go to school, own land, enter the labour market, contribute to society and politics, and exercise their sexual and reproductive health and rights.

Systematic efforts to promote gender equality are a basic precondition for eradicating poverty and achieving sustainable development around the world. Both the 2030 Agenda and Sweden’s policy for global development have a strong gender equality perspective. Sweden’s feminist foreign policy has been an important tool in Sweden’s contribution to meeting the 2030 Agenda, not least with respect to SDGs 3, 4 and 5. The concept of “transformation” is a key term in the 2030 Agenda. In both the preface and the declaration, the UN member states emphasise the importance of the agenda being transformative in order to achieve real change, by intensifying the fight against poverty and all the various forms of inequality.

**RATING**

Globally and within the EU, Sweden’s feminist foreign policy has had great symbolic value and has strongly contributed to other states adopting a feminist foreign and/or development policy. It has served as a necessary counterweight to the anti-gender agenda and those (countries, funding sources, organisations and groups) that have intensified their efforts against the rights of women, girls and LGBTQI people. Sweden’s clear stance has help instill hope in the people who dare to show resistance at a national and local level. The work of local women’s rights organisations has, for example, been highlighted through ministerial visits. Feminist foreign policy has contributed to a more cohesive and sharpened position on gender equality issues at policy and negotiation levels. Sweden’s work with extra challenging issues – including safe abortion and LGBTQI rights – has offered particularly high added value. Sweden also plays an important role when it comes to paying attention to social norms as a root cause of inequality around the world.

The Swedish government has increasingly adopted both a life cycle perspective and an intersectional approach in analyses that form the basis for policy development and the implementation of initiatives. When sex is coupled with age, ethnicity, gender identity and religion, for example, it becomes clear that a large number of women and girls are living with, and having to deal with, several concurrent social life circumstances at the same time.
It is less clear whether greater focus on a policy level has actually led to increased Swedish aid in the area of gender equality. With respect to SRHR (one of six prioritised areas within feminist foreign policy), for example, no increase was seen between 2014 and 2018. As for the ambition that initially seemed to drive feminist foreign policy, which set out to be radical and permeate everything, there is still a lot of room for improvement. Feminist foreign policy sometimes runs side by side with other prioritised initiatives, including those on climate and democracy, and it is not always highlighted in the work promoted at a diplomatic level. There are also challenges when it comes to the way that Sweden pursues a feminist peace and security policy.

CONFLICTS
OF INTEREST
Organisations who have contributed with analysis and endorse the recommendations: Women's International League for Peace & Freedom (WILPF) Sweden, the Life & Peace Institute (LPI), the National Council of Swedish Youth Organizations (LSU) and the Swedish Peace and Arbitration Society.

The chapter looks at aspects of Sweden's policies for peace and human security. Members of CONCORD Sweden have been examining Swedish arms exports and disarmament policies for many years.

It becomes clear that there are conflicts of interest when you consider that the Swedish government has acted as a mediator in conflicts and has provided extensive humanitarian aid, while Swedish arms exports have been allowed to continue, often to the same countries. This chapter describes how Swedish arms exports are in conflict with Sweden's commitments to the 2030 Agenda, the feminist foreign policy and a coherent policy for global sustainable development. Moreover, despite ambitions to work towards disarmament, Sweden has chosen not to join the UN Treaty on the Prohibition of Nuclear Weapons (TPNW).

The Swedish government has a responsibility to ensure that Swedish policies contribute to peaceful and inclusive societies around the world. When it comes to working on conflict prevention, it is fundamental for Sweden to emphasise the importance of young people, women and LGBTQI+ people's participation and perspectives. The agenda for young people's and the women, peace and security agenda are central elements of the government's work. However, these agendas need to be more closely linked to national efforts.

RECOMMENDATIONS

The Swedish government should:

• Ensure compliance with Sweden’s new regulations for arms exports in a way that, in practice, brings a stop to all exports to dictatorships and other states that violate human rights. The Swedish government should also ensure that the export assessments are made with a gender and conflict prevention perspective, based on UNSCR 1325 and subsequent resolutions within the women, peace and security (WPS) agenda.

• Ensure that the Swedish Export Credit Agency (EKN) and the Swedish Export Credit Corporation (SEK) make independent assessments – with a clear human rights perspective – of all arms transactions that could be eligible for guarantees and/or loans.

• Support the EU in having a strong role in disarmament and peacebuilding, and prevent EU resources being used to strengthen the arms industry.

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45 Life & Peace Institute and LSU (National Council of Swedish Youth Organisations) – “Sweden's youth organisations do not have a formal position on the sections”, “Weapons exports and disarmament” and “Nuclear weapons”.
• Sign and ratify the UN Treaty on the Prohibition of Nuclear Weapons (TPNW).

• Ensure that Sweden’s national action plan (NAP) for the women, peace and security (WPS) agenda addresses Swedish arms exports, migration policy as well as masculinity norms. Consequently, public authorities such as the Swedish National Inspectorate of Strategic Products (ISP) and the Swedish Migration Agency should report on the implementation of the Swedish NAP.

• Prioritise young people in the peace and security agenda within both national and international initiatives by enabling funding for organisations that work with youth inclusion, youth organisations, and informal groups of young people, who want to create change with regard to young people’s ability to participate and exert influence.

• Develop an action plan for UN Resolution 2250 on Youth, Peace and Security, which includes national and international policies.

HUMAN SECURITY AND ARMS EXPORTS

Sweden is the 15th largest arms exporter in the world. It sells arms to countries that are in war and face great challenges within areas such as democracy, human rights and poverty reduction. Access to arms risks exacerbating and prolonging armed violence, while also complicating peaceful solutions.

Sweden’s policy

In 2018, a new Swedish regulatory framework for arms exports came into force. Despite some positive changes, major problems remain with Sweden’s arms export policy. It is still possible to approve arms deals by prioritising interests linked to a desire to maintain the arms industry in Sweden over a respect for democracy and human rights. One reason for this is that transactions that are classified as so-called “follow-on deliveries” are generally permitted. These arms deliveries can be very extensive and last for many years, sometimes even decades. The loophole regarding follow-on deliveries need to be closed in order to achieve stricter regulations in practice. So far, the changes in the regulations have not led to any reduction in exports to undemocratic states. This has in fact increased, and in 2020 more than a third of Swedish arms exports went to countries that the organisation Freedom House considers to be unfree or only partly free.

Today’s narrow interpretation of the arms export regulations is another obstacle to Sweden’s commitment to the 2030 Agenda which include a reduction of violence in the world (Target 16.1), an elimination of all forms of violence against children (Target 16.2), and an eradication of violence against women and girls (Target 5.2). Despite these commitments, only threats to human physical security, such as extensive torture, are currently considered to be serious human rights violations that are serious and widespread.

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enough to lead to a refusal to export arms.\textsuperscript{48} Distinguishing certain types of human rights violations as relevant and others not, stands in direct contrast to Sweden's work on the 2030 Agenda. The Swedish regulations for arms exports lack a clear gender equality perspective. The conflict concerning Sweden's arms exports and SDG 5 (gender equality) attracted attention when Sweden's compliance with the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) was examined in 2016,\textsuperscript{49} as well as in the OECD-DAC's review of Swedish development cooperation in 2019.\textsuperscript{50}

Sweden's stance on the Yemen war is a clear example of how Swedish arms exports are in conflict with a coherent policy for global sustainable development. During the first six years of the war, Sweden exported arms to six of the warring parties worth 5.6 billion SEK.\textsuperscript{51} Despite the UN's fears that all involved parties have committed war crimes,\textsuperscript{52} and reports that Swedish arms are being used in the conflict,\textsuperscript{53,54} Sweden continues to supply arms,\textsuperscript{55} and grant permits for future arms deliveries.\textsuperscript{56} The conflict of interests becomes clear when you consider that the Swedish government has acted as mediator in the conflict, and also supplied extensive humanitarian aid,\textsuperscript{57} while Swedish arms exports to several of the warring parties have been allowed to continue.

According to Target 16.5 in the 2030 Agenda, countries must build transparent institutions with accountability at all levels. This also includes decisions on arms exports.\textsuperscript{58} The high level of confidentiality currently surrounding Swedish arms exports greatly impedes the possibilities for demanding political responsibility. The UN Guiding Principles on Business and Human Rights\textsuperscript{59} are based on the principle that those affected should be able to demand responsibility and receive compensation. Both the state-owned Swedish

\textsuperscript{48} The Swedish Peace and Arbitration Society's and civil society's discussions with the Swedish National Inspectorate of Strategic Products (ISP), the authority that grants or rejects arms exports.


\textsuperscript{54} TV4, “Svenska krigsfartyg kan ha blockerat mat och medicin – 85 000 barn har dött”, 2019, https://www.tv4play.se/program/nyheterna/12489943


\textsuperscript{58} See SDG Target 16.6 in Agenda 2030, https://www.globalamalen.se/om-globala-malen/mal-16-fredliga-och-inkluderande-samhallen/

Export Credit Corporation (SEK), which lends money to support exports, and the Swedish Export Credit Agency (EKN), a public authority, must be governed by the UN’s guiding principles. However, transparency towards the general public and the people in the countries that buy Swedish arms is today almost non-existent. The SEK and EKN currently rely on the assessments made by the Swedish National Inspectorate of Strategic Products (ISP), a public authority that grants or rejects permits for Swedish arms exports. As long as the SEK and EKN do not perform an independent assessment, no responsibility can be claimed.

NUCLEAR WEAPONS AND DISARMAMENT

Military rearmament around the world is on the rise. Within that context, the nuclear issue has thus become more relevant than it has been in a long time – a nuclear attack would have catastrophic humanitarian consequences. The UN Treaty on the Prohibition of Nuclear Weapons (TPNW) includes a total prohibition on nuclear weapons, making them the last in a long line of weapons of mass destruction to be banned. The TPNW focuses on nuclear weapons’ catastrophic humanitarian consequences, as well as the serious effects of nuclear weapons on the environment, socio-economic development, the global economy, food security and health. The TPNW also includes strong commitments regarding gender equality and indigenous peoples’ rights. The TPNW thus contributes to the fulfilment of several of the UN Global Goals for Sustainable Development (SDGs), especially Goal 3: “Ensure healthy lives and promoting well-being for all at all ages”, Goal 6 “Ensure access to water and sanitation for all”, Goal 14 “Conserve and sustainably use the oceans, seas and marine resources” and Goal 15 “Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss”. However, it applies to Goal 16 “Promote just, peaceful and inclusive societies” more than any other by filling the legal gap that existed for nuclear weapons and by improving the rights of marginalised groups. Goal 5 “Achieve gender equality and empower all women and girls” is also important for this issue, as the TPNW emphasises the importance of women’s participation and obliges states to take into account the fact that the humanitarian consequences of nuclear weapons affects women and girls in specific ways, due to that their bodies are more vulnerable to the harmful effects of ionizing radiation. Goal 1 is also of great importance, not least target 1.5 and 1A and B, urging states to create resilient societies, allocating resources to poverty reduction and creating a policy framework with a poverty and gender perspective. In 2019, nuclear-weapon states together spent $72.9 billion on their 13,000+ nuclear weapons, equivalent to $138,699 per minute.

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Sweden’s policy
TPNW entered into force in January 2021. Sweden, which has not joined the treaty, is for the first time in history not part of a multilateral disarmament agreement when it enters into force. The TPNW has revealed uncomfortable truths about the new Swedish view of nuclear weapons, where military cooperation with nuclear weapon states is prioritised over working towards nuclear disarmament, as well as the implementation of the Global Goals.

In 2021, Minister for Foreign Affairs Ann Linde declared disarmament and non-proliferation to be key priorities for Sweden’s foreign and security policy. This is welcomed, but the vision of a nuclear-weapon-free world and the recognition of the catastrophic humanitarian consequences of nuclear weapons was not mentioned in the declaration, unlike in 2019. The review conference on the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) was due to be held in spring 2020, but was postponed due to the outbreak of the pandemic. Ahead of the conference, the government has brought together more than 15 non-nuclear-weapon states in the so-called Stockholm initiative. However, the initiative does not require actual disarmament, but only so-called risk reduction measures. Something that has been central in the development of the TPNW and to other recent disarmament initiatives is the issue of the humanitarian consequences of nuclear weapons. These are not mentioned in the declarations submitted by the Swedish initiative, even though the government has, through the 2021 action plan for feminist foreign policy, undertaken to pursue the issue of the humanitarian consequences of nuclear weapons within the NPT.

CONFLICT-PREVENTION WORK

When it comes to peacebuilding and conflict-prevention, the involvement of society as a whole is essential. It is also important to support and understand the role of local actors for peace. UN Security Council Resolution 1325 and its nine subsequent resolutions on women, peace and security, and Resolution 2250 on youth, peace and security, highlight the need to include both women and young people in peacebuilding efforts if long-term peace is to be achieved and maintained.

Countering structural root causes of conflict and violence, and the work on conflict prevention, are linked to a number of Global Goals for Sustainable Development: A gender equality perspective (Goal 5) must be integrated into all 17 Global Goals. Goal 5, which first and foremost seeks to enable women and girls to enjoy their human rights, is also considered an important precondition for the promotion of peaceful and inclusive societies (Goal 16).

The UN Agenda for Women, Peace and Security (WPS) also emphasises the need to strengthen the protection of women and girls from armed violence. It also states that guarantees for women’s participation in the work for peace and security are crucial to conflict-prevention work around the world.

**Sweden's policy**

**The UN Agenda for Women, Peace and Security**

The link between the 2030 Agenda and the UN’s Agenda for Women, Peace and Security is highlighted in Sweden’s position on Goal 16 ahead of the UN High-Level Political Forum 2019,72 as well as Sweden’s national action plan (NAP) for the implementation of the WPS agenda.73 Thus, Sweden’s NAP should be a fundamental tool for its implementation of the 2030 Agenda, not least with regard to Goal 5 and Goal 16. A review of the NAP is currently underway. Sweden’s current NAP largely lacks goals and measures for domestic policy work. Seeing the agenda only as a foreign policy tool hides the fact that peace is not a static state but a constant process, and that peace means more than the absence of war and the way states in “peace” contribute to conflicts in other parts of the world. Thus, Sweden’s NAP should include how for example Swedish arms exports affect peace and conflict in other countries. During 2017-2018, when Sweden was a member of the UN Security Council, it did not emphasise disarmament and non-proliferation as key issues in the implementation of the WPS agenda. UN Security Council Resolutions 2106, 2122 and 2467 refer specifically to the UN Arms Trade Agreement (ATT). Illuminating the connection between the global arms trade and women’s security and armed conflict was a major step in the right direction, and should thus be included in Sweden’s NAP and its implementation. In addition, the ISP authority, which is responsible for Swedish arms export licenses, should have reporting requirements based on Sweden’s national WPS action plan, in line with other authorities under the Ministry for Foreign Affairs.

An updated national action plan should also cover how Swedish migration policy affects refugees and migrants, in particular women refugees. It should also address the importance of preventing and changing violent and destructive norms of masculinity.

Sweden’s feminist foreign policy action plan for 2021 highlights the links between climate change, conflict, human security, and the role of women and girls for sustainable development. Thus, an updated WPS action plan should include both the direct links between the climate and the environment to conflict, and the importance of women’s participation in climate and environmental work, as well as the impact on women’s direct and indirect security.74

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The UN Agenda for Youth, Peace and Security

Sweden often emphasises the importance of young people’s participation and influence, especially in international contexts, but there is still work to be done. Sweden was actively involved in the development and unanimous adoption of Resolution 2419 (2018), a follow-up to UN Resolution 2250 (2015). The Government’s strategy for sustainable peace (2017-2022) states that activities shall contribute to strengthened participation and influence of women and young people in dialogue and peace processes. Sweden also contributed financially to “The Missing Peace”, an independent progress study on youth, peace and security, and continuously strengthens young people’s participation by appointing youth delegates to Swedish delegations to the UN. The government has also distributed responsibility for the area of youth, peace and security to the Folke Bernadotte Academy (FBA), which has established an internal unit with special focus on the resolution. Within the framework of its work on the resolution, the FBA has a responsibility to integrate youth perspectives and to ensure the inclusion of young people in peace processes.

At the moment, the FBA has also been commissioned to provide support for peace-related work in Sweden and around the world, where youth, peace and security is a specific category eligible for funding. However, a national action plan for Resolution 2250 is clearly missing in Sweden, as are targeted efforts to educate officials and authorities about the resolution. Sweden has clearly invested in specific activities concerning the 2030 Agenda (e.g. the adoption of a parliamentary bill and targeted efforts to increase government officials’ understanding). However, similar investments have not, according to the authors’ knowledge, been made in regard to UN Resolution 2250 in Sweden.

It is also important to work with the resolution in Sweden as well, and it is a prerequisite for achieving several of the Global Goals (e.g. Goal 10 on reducing inequality and Goal 16 on peaceful, just and inclusive societies). The resolution is binding for all UN member states, since it was adopted by the UN Security Council, which means that all member states have a responsibility to contribute to its implementation both nationally and internationally. Resolution 2250 must be prioritised by the Swedish government to establish a starting point and get an overview of the needs concerning its national implementation.

78 The Folke Bernadotte Academy (FBA) is a Swedish agency for peace, security and development. It works with international peace efforts and development cooperation.
79 According to our definition, “integrating/mainstreaming a youth perspective” involves raising awareness and highlighting the fact that young people are a heterogeneous group with different opinions and experiences. Therefore, it is important that there is a broad representation of young people’s participation and perspectives in processes for inclusion. This means that young people’s inclusion should be systematic, and this must also be a process in which young people themselves are actively involved. Finally, an understanding is needed that young people’s inclusion is not a special interest. Young people should most definitely be able to influence decisions that have a direct impact on their lives. The inclusion of young people must permeate all parts of society.
82 Ett exempel är Glokala Sverige som drivs av FN-förbundet och finansieras av Sida: https://fn.se/vi-gor/utveckling-och-fattigdomsbekampning/agenda-2030/glokala-sverige/
The ability of young people to actively and collectively organise is one of the pillars when it comes to realising the agenda for a peaceful and sustainable society. This concerns young people's opportunities to participate in peace processes, as well as young people's opportunities to influence decisions and be active participants in society. Investing in young people and youth organisations contributes to safeguarding democracy and peace, both nationally and internationally. It is important that Sweden has taken certain steps to strengthen young people's inclusion and autonomy. However, to be a truly progressive voice for young people's inclusion, Sweden, and other countries, must listen to the needs expressed by young people, and they must take action accordingly.
CLIMATE

Organisations who have contributed with analysis and endorse the recommendations: Act Church of Sweden, Framtidsjorden, the Hunger Project Sweden, the Kvinna till Kvinna Foundation, Islamic Relief Sweden, Olof Palme International Center, Plan International Sweden, the Swedish Society for Nature Conservation, Union to Union, Water Aid, We Effect and WWF Sweden.

In this chapter, we examine certain aspects of Sweden’s climate policy that we consider to be crucial for handling the climate crisis from global justice and gender equality perspectives. CONCORD Sweden has previously analysed the links between climate and gender, and how these are integrated into Swedish policy, in the report “Feminist Policies for Climate Justice”.

Taking urgent action to combat climate change and its impacts is in itself one of the Global Goals for Sustainable Development, but it is also a prerequisite for the other goals to be achieved. The climate crisis exposes inequalities and global injustices, where people living in poverty in low and middle-income countries are hardest hit, while having contributed little to the global greenhouse gas emissions. In addition, the climate crisis is strongly interlinked with the threat to biodiversity and the loss of ecosystems, and their effects are mutually reinforcing.

Sweden, a country with high per capita emissions, has an obligation to urgently reduce its emissions in line with the Paris Agreement. Sweden has also committed to assisting low and middle-income countries to transition to resilient societies with low emissions, a transition that must protect the most vulnerable in the labour market.

Sweden has adopted an ambitious climate policy framework, in international comparison. In 2019, the government presented Sweden’s first Climate Policy Action Plan, which states that the country will take a leading role in the global implementation of the Paris Agreement and the 2030 Agenda, and help ensure that a gender equality perspective is integrated into the work. Sweden’s national climate policy is to be harmonised with its policy for global development. The government also aspires for Sweden to become the world’s first fossil-free welfare nation, but challenges remain in the area of exports, the public pensions system and consumption-based emissions. Through its political commitments, Sweden has also highlighted the need for a just transition to sustainability. It is now important to turn political commitments into action, ensure important synergies and gear up the level of ambition.

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84 Intergovernmental Panel on Climate Change (IPCC), “Special Report: Global Warming of 1.5°C”, 2018, Chapter 5:
Chapter 5 — Global Warming of 1.5 °C (ipcc.ch)

RECOMMENDATIONS

The Swedish government should:

- Take the global lead and establish an additional budget target for Sweden’s climate finance, in addition to the 1 percent of GNI target for the development assistance (ODA) budget, which enables separate predictive reporting and follow-up.

- Work actively to ensure that all climate finance, including that which is allocated through global funds, applies a rights perspective that guarantees participation, accountability, non-discrimination and gender equality, as well as the principles of locally led adaptation\(^{86}\) and a just transition. The government should also work to ensure that more climate finance reaches people living in poverty in communities that are hardest hit by the climate crisis.

- Promote innovative financing solutions to mobilise funds for climate-induced loss and damage.

- Develop an action plan which ensures that public support and investments are directed towards activities that contribute to a green transition in line with scientific targets and limits for emissions and environmental impact, and in accordance with international agreements.

- Use global initiatives, such as the 2030 Agenda, the EU’s Green Deal, the Global Deal, the Silesia Declaration, and the Climate Action for Jobs Initiative, to introduce specific measures and show political leadership for a just transition globally.

- Add a new milestone target in the national environmental objectives system\(^{87}\) to reduce Sweden’s consumption-based greenhouse gas emissions, with an associated action plan. This milestone target must be based on the requirement that the 1.5°C climate target should be met in a globally equitable way, and the action plan needs to ensure positive synergies between effects on climate and biodiversity.

- Set more specific targets for sectors that generate large consumption-based emissions. In addition to milestone targets for reduced emissions from aviation and shipping, the government should also consider setting targets for housing (including construction), food, clothing and textiles.

CLIMATE FINANCE

As specified in target 13a of the 2030 Agenda, the high-income country-parties to the UN Framework Convention on Climate Change have promised to mobilise 100 billion USD a year in climate finance for developing countries by 2020. These funds shall be additional to already existing development cooperation, and support emissions reductions and climate adaptation in a balanced way.\(^{88}\) The latest reports from

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\(^{88}\) Additionality is mentioned in the Copenhagen Accord, the Cancun Agreements and the United Nations Framework Convention on Climate Change. The balance between emissions reduction and adaptation is included in the Paris Agreement.
the OECD show that in 2018, countries mobilised 78.9 billion USD in climate finance.\textsuperscript{89} However, the proportion of these funds that are “new and additional” is hard to determine since there is no common definition, and the countries’ interpretations of the term differ.\textsuperscript{90} Reviews also show that a large part of climate finance is provided as loans and guarantees, not grants.\textsuperscript{91} The COVID-19 crisis has resulted in considerable reprioritisation among donor countries, and it does not seem likely that the financing promise of 100 billion USD was fulfilled in 2020.

Although the Paris Agreement states that there will be liability and support for loss and damage associated with climate change\textsuperscript{92}, no funding has been promised so far. The UN estimates the costs for loss and damage in countries with the highest levels of poverty to be 50 billion USD per year from 2020.\textsuperscript{93} The costs are expected to rise sharply if temperature increases are not halted. New innovative financing sources will be required to mobilise these funds.

Women and girls living in poverty are disproportionately affected by the climate crisis.\textsuperscript{94} The “Gender Action Plan”\textsuperscript{95} adopted at COP25 states that women's participation should be strengthened and that gender equality should be integrated into the implementation of the Paris Agreement. However, the plan is yet to be turned into action. Most of the international climate funds initially lacked a gender perspective. Progress has been made in integrating the perspective into decision-making and the implementation of projects. However, more is needed to ensure truly gender responsive climate finance that benefits sectors dominated by women and women-led organisations.\textsuperscript{96}

**Sweden’s policy**

In 2019, the Swedish government decided to double its contribution to the UN Green Climate Fund for the period 2020-2023.\textsuperscript{97} In addition, Sweden is one of the few countries that consistently contributes to other climate funds such as the Adaptation Fund and the Least Developed Countries Fund (LDCF). In 2019, Sweden’s total climate finance amounted to 7.5 billion SEK, which is more than three times what it was in 2014.\textsuperscript{98} In comparison with other European countries, Sweden stands out positively based on the level of the total contribution, and the even balance between support for mitigation and adaptation. It is also positive that all reported climate finance has been provided as grants, not loans.\textsuperscript{99}

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\textsuperscript{89} OECD, “Climate Finance Provided and Mobilised by Developed Countries in 2013-18”, 2020, Climate Finance Provided and Mobilised by Developed Countries in 2013-18 | en | OECD

\textsuperscript{90} Act Alliance EU, “Setting the Standard: Climate finance from EU and EFTA Member States”, 2021, ACT-Alliance-EU_SettingTheStandard.pdf

\textsuperscript{91} Ibid.


\textsuperscript{94} CONCORD Sweden, “Feminist Policies for Climate Justice”, 2020, fem-rapport-2020-final.pdf (concord.se)


\textsuperscript{98} Swedish Government Offices, “Sverige bidrar allt mer till klimatåtgärder i utvecklingsländer”, 2020, Sverige bidrar allt mer till klimatåtgärder i utvecklingsländer - Regeringen.se

\textsuperscript{99} Act Alliance EU, “Setting the Standard: Climate finance from EU and EFTA Member States”, 2021, ACT-Alliance-EU_SettingTheStandard.pdf
At the same time, funds from the development cooperation budget have been used to fulfil the finance commitments made in relation to the Climate Convention. Development cooperation will be of great importance in supporting low- and middle-income countries to meet the goals of the 2030 Agenda, not least in the wake of the COVID-19 crisis. Sweden needs to maintain the current 1 percent target for development cooperation, and ensure that climate-related support does not replace other important aid initiatives. Swedish climate finance should thus consist of new funds, in addition to current development cooperation commitments and budget.  

In addition to the financial contribution, Sweden plays a significant role in maintaining the structures that enable climate adaptation and mitigation in low-income countries. But in the UN climate negotiations, Sweden and EU have so far not proposed innovative financing sources to mobilise funding for loss and damage.

The government sees girls and women as important stakeholders in the global climate efforts, and gender equality is integrated into the climate initiatives financed through Sida. Sweden has also worked to strengthen the gender equality perspective in the multilateral climate funds. The 2021 action plan for Sweden's feminist foreign policy places stronger emphasis on integrating climate and environmental aspects into the implementation of the policy. The need for a rights perspective in environment and climate initiatives is highlighted, linked, for example, to water, sanitation and hygiene (WASH), and sexual and reproductive health and rights (SRHR). Moreover, the action plan states that Sweden shall work to ensure that the global climate adaptation funds for increased resilience become more accessible to women and girls in vulnerable societies. Sweden will also work to ensure that climate adaptation strategies counteract discrimination against women and girls and that Nationally Determined Contributions are developed in dialogue with women and girls. The provisions of the action plan are important and appreciated, but a feminist foreign policy should put further focus on gender equal influence on climate finance, and ensure that funds go to women-led organisations and sectors dominated by women.

INVESTMENTS AND PUBLIC SUPPORT TO ACTIVITIES RELATED TO FOSSIL FUELS

The combustion of fossil fuels accounts for the majority of greenhouse gas emissions that cause climate change. Fossil fuels are often extracted in the world’s poorest regions, and are subsequently either used in other parts of respective country or exported. Extraction in countries with weak legislation risks causing local environmental degradation and human rights violations.

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The objective of the 2030 Agenda is to realise human rights for all and ensure lasting protection for the planet and its natural resources. To realise the Paris Agreement, global financial flows must be redirected from climate-damaging to climate-neutral activities, and activities that contribute to a green transition in line with the 1.5°C target. The fact that governments continue to publicly support and invest in fossil fuel related activities runs counter to both their commitments to the 2030 Agenda and the Paris Agreement.

From a global perspective, development cooperation, export credits and pension funds represent the largest public subsidies and investments into fossil fuels and related activities in other countries. These forms of public support play an important role in the recovery from the COVID-19 crisis – they must contribute to a sharp reduction in emissions and should strengthen the resilience of societies, and not lead to a continued dependence on fossil fuels.

**Sweden’s policy**

Sweden’s 2018 government policy statement declared the intention to become the world’s first fossil-free welfare nation. To realise this ambition, this must also include Sweden’s activities in other countries. Public support and investment in fossil fuel related activities abroad must therefore be discontinued, and Sweden should instead support a green transition in line with stipulated scientific limits and international agreements. Significant progress has been made in phasing out fossil fuels in many areas, but challenges remain. The Swedish government has continued efforts to ensure that development cooperation does not go to fossil fuels, and it has been a driving force for EU development assistance, as well as development and investment banks, to phase out their support to fossil fuel related activities. One result of this work is the European Investment Bank’s decision in 2019 to stop financing fossil fuel projects after 2021.

Export credits and credit guarantees are favourable loans and loan guarantees that the state gives to Swedish companies that do business abroad. Between 2014 and 2018, the Swedish Export Credit Agency (EKN) issued guarantees worth 5.8 billion SEK to fossil energy related activities. This corresponds to 2.3 percent of EKN’s total guarantees during the period, but the percentage varies over the years. In 2018, gross lending from the state-owned Swedish Export Credit Corporation for the extraction of fossil fuels was 2.5 billion SEK. An additional 19.3 billion SEK went to fossil fuel infrastructure. Together, this corresponds to 6.5 percent of the company's total gross lending. In 2019, the government adopted a new investment and export strategy which states that the export credit system shall not cause fossil fuel dependence, and that credits for

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exploration and extraction of fossil fuels shall cease no later than 2022. This was an important step forward, but for the export credit system to be fossil-free, investments in fossil fuel transport and power generation must also stop.

Improvements have also been made in the management of pension capital. The Swedish AP funds, which together manage thousands of billions of SEK of Sweden’s national pension assets, have long invested in fossil fuel companies. New legal sustainability requirements were introduced in 2019 for the First to Fourth AP Funds, which have since come a long way in terms of divesting their fossil fuel holdings and rearranging their portfolios in line with the Paris Agreement.

A JUST TRANSITION

A so-called just transition encompasses climate change and gender equality. If the commitments in the Paris Agreement are to be reached, there will be three main changes in the labour market: jobs will be transformed, jobs will be lost and new jobs will be created. The International Labour Organization (ILO) estimates that a green transition can create 24 million new jobs, while six million existing jobs will be lost (creating new jobs links to SDG Targets 8.3 and 8.5).

The idea is that all jobs, old and new, should have decent conditions without workers or unions being excluded, in accordance with the promise of the 2030 Agenda that no one should be left behind. This requires coherence between several different policy areas and measures. When jobs are transformed, lost and created, there is an increased need to ensure that the workforce has the necessary skills required to match future requirements, while also providing adequate social security for those who lose their jobs. Moreover, a sustainable labour market must also challenge gender norms and segregation. Today, women are over-represented in the informal economy, and they also earn less than men for equal work.

The just transition framework has been developed by the trade union movement to protect the most vulnerable people in the labour market in countries with widespread poverty. It is now an established policy tool. The concept of a just transition is based on a belief that such a change is not only possible, but also necessary to achieve the 2030 Agenda, with environmental, economic and social sustainability issues all being interlinked. Creating a coherent policy requires a democratic process. In terms of issues relating to work, this translates into social dialogue and cooperation between social partners. Strong support for these issues in development cooperation is crucial to enable a global change in which sustainability, social justice and gender equality are connected.

Sweden’s policy

During the 2018 UN Climate Change Conference (COP24), Sweden, together with 53 other countries, adopted the Solidarity and Just Transition Silesia Declaration,¹¹² which commits countries to include workers’ perspectives in national plans and strategies for climate change. Sweden has also signed the Climate Action for Jobs Initiative¹¹³, which was launched during the UN Climate Action Summit in September 2019. These political commitments are important steps in the right direction.

When it comes to social dialogue, i.e. continuous cooperation and dialogue between the partners in the labour market, Sweden has shown good leadership, not least as the initiator of the Global Deal. Sweden has also decided to adopt a national strategy for the circular economy. This strategy seeks to encourage sustainable consumption and material use, while also promoting innovation, and creating new jobs and circular business models. The Swedish government’s Statement of Foreign Policy 2020 also highlighted the issue of a just transition, which is a welcome development. Sweden’s efforts to counter climate change are ranked among the highest in the world, and Sweden gives large contribution to the Green Climate Fund (GCF). Sweden’s role in the GCF creates a great opportunity to lead efforts towards a just transition.

CONSUMPTION-BASED EMISSIONS

Although Sweden officially has a declining emissions trend, the pace of reduction is far from what is required for the long-term climate target of net zero emissions to be reached by 2045.¹¹⁴ Sweden’s official emissions amounted to 50.9 million tonnes of greenhouse gases in carbon dioxide equivalents (CO2eq) in 2019, which represents a decrease of 29 percent since 1990. During the same period, Sweden’s total GDP has increased significantly.¹¹⁵ However, this does not indicate a so-called “economic decoupling” from its climate impact.¹¹⁶ Much of the emissions that arise in the earlier stages of production for imported goods and materials, as well as during international transport and travel, occur in other countries, while the consumption of these goods and services takes place within Sweden’s borders. This means that Sweden’s full climate impact is not made visible when only territorial emissions within the country’s borders are reported.

The internationally agreed method for measuring greenhouse gas emissions, as well as Sweden’s target of achieving net zero emissions by 2045, is based on activity within national borders, so-called territorial emissions. However, a consumption-based calculation method, estimating the total volume of emissions caused by our consumption regardless of where in the world they are emitted, shows that Sweden has a long way to go in terms of sustainability.

¹¹⁴ Swedish Environmental Protection Agency, ”Fördjupad analys av den svenska klimatomställningen 2020”, 2020, s.5 http://www.naturvardsverket.se/Documents/publ-filer/6900/397-91-620-6945-2.pdf?pid=27859
For 2018, Sweden's consumption-based emissions were estimated at approximately 82 million tonnes of greenhouse gases (CO2eq). While such consumption-based emissions are declining in Sweden, the pace of change is far too slow. Sweden still has a significant climate impact with about 8 tonnes of greenhouse gases per person per year. To meet the objectives of the Paris Agreement by 2050, we must reduce this figure globally to a maximum average of 1 tonne per person.

Emissions that occur abroad as a result of Swedish consumption of goods and services make up approximately 57 percent of consumption-based emissions. These emissions burden the country of production, and the responsibility for reducing emissions from a large part of Sweden's consumption thus falls on other countries. These countries tend to have less capacity to tackle climate change, with populations facing greater threats and risks. In addition to its climate impact, Swedish consumption has other negative environmental consequences for other parts of the world, such as the depletion of natural resources, deforestation and loss of biodiversity. Globally, the carbon footprints caused by consumption and production need to be halved by 2030.

For several decades, Sweden has used a disproportionately large share of the Earth's natural resources and the rapidly shrinking global carbon budget, contrary to the agreed principles of equity and common but differentiated responsibilities in the Paris Agreement. Consumption emissions also differ between different income groups in Sweden. While the 10 richest percent account for a considerable part of the emissions, they hardly contribute at all to the emissions reduction.

**Sweden's policy**

It should be regarded as a positive first step that climate impact from consumption is, since 2019, included in Sweden’s official statistics on environmental accounting, and that Statistics Sweden (SCB) has developed the methods for producing statistics on Sweden's consumption-based emissions. However, Sweden still lacks both targets and a strategy when it comes to reducing consumption-based emissions in the climate policy framework.

As early as 2017, the government’s strategy for sustainable consumption stated that average consumption in Sweden is far from environmentally sustainable, not least in terms of consumption where emissions occur in other countries. The issue of targets for consumption-based emissions has since been raised both in the so-called January Agreement (Januariavtalet, a policy agreement between the Social Democrats, the Centre Party, the Moderate Party, the Liberal People's Party, the Swedish�� Parties, and the Swedish Left Party), and a strategy when it comes to reducing consumption-based emissions in the climate policy framework.

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122 Sweden has no quantified target to reduced consumption-based emissions. The related goal that exists is the so-called generational goal that was adopted by the Swedish Parliament in 1999 within the framework of the environmental objective system. The generational goal means that Sweden will "hand over to the next generation a society where the major environmental problems are solved, without causing increased environmental and health problems outside Sweden's borders". [https://www.sverigesmiljomal.se/miljomalen/generationsmalet/](https://www.sverigesmiljomal.se/miljomalen/generationsmalet/)
the Liberals and the Green Party), as well as in the 2019 Climate Action Plan. This is also something that many civil society organisations in Sweden have worked towards for many years. In October 2020, the Swedish government commissioned the All-Party Committee on Environmental Objectives to develop a strategy to reduce the climate impact of consumption-based emissions and to process potential targets for consumption-based emissions. The results thereof are to be reported no later than 31 January 2022. While these represent positive steps in the right direction, things are not going fast enough in view of the urgent need to significantly reduce emissions. The pace of transition is still far too slow.

As part of the development of the aforementioned strategy, the Swedish Environmental Objectives Committee has been commissioned to analyse consequences for income distribution and gender equality in particular. This is a positive step, since it is important to include both equality and gender perspectives. It is also important to highlight where the emissions take place, who is affected, and which groups have a great impact on the climate from a consumption perspective. The task also includes taking into account potential conflict or synergy with other environmental quality objectives, as well as relevant societal goals, existing strategies and action plans. We particularly want to emphasise the importance of handling the climate crisis in parallel with tackling the loss of biodiversity and ecosystems, as these are closely linked. Halting biodiversity loss and climate change is crucial to the possibility of achieving the 2030 Agenda.

The Swedish Environmental Objectives Committee has also been commissioned to propose a milestone target for reduced emissions from aviation, and to process targets for shipping. An advantage of policy instruments and measures for specific sectors is that they are easier to follow up on. Additional sector targets should therefore be considered for sectors that are causing large consumption-based emissions, such as housing (including construction), food, clothing and textiles.

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123 For example, the Climate Goal Initiative: https://www.klimatmal.se/


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BUSINESS AND HUMAN RIGHTS

Organisations who have contributed with analysis and endorse the recommendations: Afrikagrupperna, Amnesty International Sweden, Diakonia, Fair Action, Fairtrade Sweden, ForumCiv, Oxfam Sweden and Swedwatch.

RECOMMENDATIONS

The Swedish government should:

- Urgently launch an inquiry into Human Rights Due Diligence legislation (HRDD) that uses lessons learned from other EU countries, and ensure that work on the inquiry is undertaken in dialogue with Swedish civil society organisations, trade unions and companies.

- Play a leading role in working to develop ambitious and effective HRDD legislation at EU level.

- Strengthen the Swedish Public Procurement Act (LOU) by clarifying that contracting authorities have to take environmental, social and labour rights into account in procurement processes when motivated, and tighten legislation so that all human rights are covered and that the requirements are followed up. Also clarify the responsibility of contracting authorities to require suppliers to respect the ILO’s eight fundamental conventions.

- Push for the European Commission to follow up and evaluate how the member states and EU institutions set ethical requirements in procurement, and if necessary, propose a strengthening of the regulatory framework.

- Work to ensure that HRDD legislation stipulates that companies that do not live up to the legal requirements must be excluded from participating in public procurement.

CORPORATE AND STATE RESPONSIBILITY FOR HUMAN RIGHTS

If we are to succeed in achieving the Global Goals for Sustainable Development (SDGs), we need public policies to ensure that corporate activities do not have a negative impact on human rights or the environment. In today’s globalised economy, with production and trade of many goods and services across the world, it is common for human rights to be adversely affected all throughout the value chain. Examples include child labour, unsafe and dangerous working conditions, forced relocations, and the extraction of natural resources that leads to environmental degradation and conflict with local populations.

In April 2020, a survey of 46 Swedish companies’ sustainability reports showed that many companies do not work systematically to prevent and counteract their negative
impact on people and the environment on all levels.\textsuperscript{129} Almost half of the companies examined do not monitor how their human rights policies are being followed in their operations or by subcontractors. A survey of 1,000 European companies, published in February 2020, shows that only one fifth report on their efforts to prevent a negative impact on human rights at the supplier level, even though more than 80 percent of companies state that they have a human rights policy.\textsuperscript{130}

Voluntary guidelines have failed to address the structural causes of the widespread negative impact on human rights and the environment in global supply chains. They have also been insufficient to get companies to act.

Several companies are already aware of this and work continuously to identify, prevent, mitigate and account for the way their company handles potential and actual human rights risks, both in Sweden, and in the countries where Swedish companies operate and do business. The companies that choose to work ethically and sustainably do so mostly on their own initiative, and they are forced to compete on unequal terms with companies that do not take human rights into account.

By providing legislation, politicians could help create a level playing field where individual actors who take responsibility for human rights and the environment can survive and develop. Otherwise, companies keen to pursue economic, environmental and social sustainability and a desire to support the 2030 Agenda, cannot compete on equal terms and are forced to lower their ambitions. Without legislation, the EU’s internal market is characterised by an incentive structure that continues to promote a lack of accountability. With European legislation, there is a competitive situation, where it pays to create sustainable business models. States have an obligation to protect human rights and ensure that they are respected by third parties, such as companies.

Despite the widespread issue of companies failing to respect human rights or the environment, there is no Swedish or EU law to require them to respect human rights. Human Rights Due Diligence (HRDD) legislation would create a legal space to demand corporate responsibility, strengthen incentives for companies to respect human rights and thus become an important part of the implementation of the 2030 Agenda.

At the end of April 2020, the EU Commissioner for Justice presented an initiative to produce an EU law on business and human rights.\textsuperscript{131} The EU initiative, which has been out for an open round of consultations, is a historic opportunity to make a stand for corporate responsibility for human rights and the environment.


**Sweden’s policy**

The Swedish government has been clear about the fact that it expects companies to respect human rights in all their activities. This is expressed in various documents including *Plattform för internationellt hållbart företagande*[^132] (“Platform for International Corporate Sustainability”) from December 2019, a letter entitled *Politik för hållbart företagande*[^133] (“Policy for Corporate Sustainability”) from 2015, and the 2015 NAP for entrepreneurship and human rights[^134]. In the “Platform for Internationally Sustainable Entrepreneurship”, the government states that before taking a position on the legal requirements for HRDD, it wants to wait and see whether the 2016 legislation on sustainable reporting has had a positive impact on corporate practice and how corporate sustainability is dealt with by the EU. Swedish legislation on sustainability reporting for companies and larger organisations is admittedly stronger than the EU directive since it includes more companies, but the legislation does not require companies to implement HRDD.

The Swedish government has, on several occasions, been called upon to examine HRDD legislation.

- At the beginning of 2018, the Swedish Agency for Public Management (Statskontoret) presented an inquiry commissioned by the government on Sweden’s compliance with the UN’s Guiding Principles.[^135] It made several recommendations for improvements, e.g. the government was to immediately investigate the possibilities of imposing legal requirements on Swedish companies to implement HRDD. The Swedish Agency for Public Management also recommended that such legislation should make it possible to try and judge cases where Swedish companies’ actions in other countries had a negative impact on human rights.

- In March 2019, the 2030 Agenda delegation made the same recommendation in its final report to the government.[^136]

Foreign Minister Anna Hallberg said in January 2021 that there is a need for harmonised EU legislation, and that Sweden is working actively and constructively on an EU level towards achieving this. She said that she very much supported the EU developing a proposal for a legal framework on due diligence for business and human rights.

Free will has proven to be insufficient in this area. Binding rules are needed to protect people and the environment, to promote gender equality and to ensure fair competition for companies that act responsibly. In addition to working actively within the EU for legislation, the Swedish government needs to urgently launch an inquiry into the most important components of such a law and how this could be integrated into the Swedish legal system. It is essential for this investigation work to be done in dialogue with Swedish civil society organisations, trade unions and companies.

[^134]: Swedish Government Offices, “Handlingsplan för företagande och mänskliga rättigheter”, 2015, [https://www.regeringen.se/contentassets/1012abb0e5a84defa089a77eb6a5ee21/handlingsplan-for-foretagande-och-manskliga-rattigheter.pdf](https://www.regeringen.se/contentassets/1012abb0e5a84defa089a77eb6a5ee21/handlingsplan-for-foretagande-och-manskliga-rattigheter.pdf)
PUBLIC PROCUREMENT REQUIREMENTS

Experiences from Sweden and overseas show that social requirements in procurement processes yield greater respect for human rights when carefully formulated requirements are made in ongoing routines and when they are systematically followed up. This supports SDG 12 about sustainable production and consumption, which in turn affects a number of other goals, such as reducing poverty (Goal 1), gender equality (Goal 5), decent working conditions and economic growth (Goal 8), and combating climate change and the consequences thereof (Goal 13). Indeed, Sweden is also facing its greatest challenges with respect to Goals 12 and 13, according to the international comparative Sustainable Development Report 2020 published by Cambridge University.

Sweden’s policy

Each year, the public sector in Sweden purchases goods and services worth almost 800 billion SEK, corresponding to 15 percent of GDP.137 Sweden’s public sector is a major buyer and employer within the construction, IT and food industries, for example. By including social and labour law responsibility and environmental factors in their procurement processes, contracting authorities can protect and actively support human rights and the environment.

The legislation on public procurement from 2017 featured an important tightening of the rules for public procurement, which previously did not contain any requirements regarding labour law (e.g. freedom of association and a ban on child labour). The Swedish Public Procurement Act (LOU) has since 2017 stated that contracting authorities shall, if necessary, require the supplier to fulfil a contract in accordance with specified conditions in line with the ILO’s fundamental conventions, provided that the work is carried out in areas where Swedish labour law is not applicable.

However, the legislation from 2017 could have gone further by requiring contracting authorities to set out and follow up requirements based on the UN’s Guiding Principles on Business and Human Rights138 in accordance with best practice, which would have meant that all human rights would be taken into account, not just the ILO’s eight fundamental conventions. The proposal put forward by the European Parliament in its resolution on HREDD legislation would be a potentially powerful tool for helping to make public procurement more sustainable. Companies that do not meet the requirements of the legislation should be excluded from public procurement processes.

The limitations of the Swedish LOU legislation are also noticeable in the weaker, non-binding, should-tone in LOU §3, Chapter 4: “A contracting authority should take environmental considerations, and social and labour law considerations into account in public procurement, if the nature of the procurement so justifies.” Sweden’s 2017 National Public Procurement Strategy139 also uses the word should instead of must. The strategy is primarily aimed at public authorities and aims to develop the work on strategic procurement. Objective 7 deals with social requirements and states that procurement should pro-

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mote companies’ respect for human rights in their activities in accordance with the UN’s Guiding Principles on Business and Human Rights. No tightening of the requirements has been made since 2017, either in the legal text or in the government’s National Public Procurement Strategy.

The National Agency for Public Procurement (Upphandlingsmyndigheten) is tasked with supporting authorities in both setting and following up relevant requirements during procurement processes. This support should be further developed in order to strengthen the capacity of these authorities to demand that human rights be safeguarded throughout the supply chain and to follow up set requirements. The contracting authority should clarify that independent third-party certifications140 with high sustainability requirements can, and should be, used in formulating and verifying requirements, as is already the case in Denmark and Norway.

The National Agency for Public Procurement has been commissioned to follow up the Swedish government’s procurement strategy and the application of the objectives set within it. Surveys conducted by the agency in 2018 and 2020 indicate that more and more contracting organisations are setting labour law conditions in accordance with the ILO’s eight fundamental conventions. The surveys also indicate that it is primarily the regional councils that set and follow up labour law, while the state authorities lag behind. Only 14 percent of the state authorities said that they followed up the requirements, partly due to a lack of competence and resources.141

On 1 July 2020, the National Agency for Public Procurement was given an expanded mandate to produce statistics on procurement that include social and environmental requirements,142 which is something that we welcome. More knowledge is needed on how authorities implement the procurement strategy’s objectives and current legislation. For example, statistics are needed on whether authorities require human rights to be respected, including children’s rights and Fairtrade products, as well as on how the authorities follow up the requirements. Public authorities’ task to report on how they meet the procurement strategy’s objectives and systems for contracting parties (both private and public actors) also need to be followed up over time. This would help identify structural shortcomings that authorities must deal with in order to be able to show that Sweden complies with its international commitments, such as the UN Convention on the Rights of the Child.

Sweden should also work to make EU public procurement socially and environmentally sustainable. Among other things, it is an important tool for Sweden in driving the 2030 Agenda forward. The lowest price is today the only requirement for 55 percent of all procurement processes in the EU. The European Commission has published a summary of this matter, describing it as an indication that public contractors do not pay sufficient attention to quality, sustainability and innovation.143

140 An independent inspection body reviews whether the requirements of the standards/criteria are being followed.
141 According to the authority’s survey, 92% of the responding regions set labour law requirements according to the ILO’s eight fundamental conventions; this compared to 49% of responding municipalities and only 22% of public authorities. With respect to following up, the figures were 64% for regions, 17% for municipalities and 14% for public authorities. National Agency for Public Procurement, “Arbetsrättsliga villkor enligt ILO:s kärnkonventioner och hållbara leveranskedjor” (accessed 23 April 2020)
FINANCING FOR DEVELOPMENT
INTRODUCTION

Organisations who have contributed with analysis and endorse the recommendations: Act Church of Sweden, Diakonia, ForumCiv and Oxfam Sweden.

This chapter examines the way that Sweden provides public resources and contributes to political decisions for the implementation of the agenda on how to finance sustainable development, the Addis Ababa Action Agenda (AAAA).

The challenge of mobilising resources for sustainable development is now greater than ever. Even before the pandemic, low and middle-income countries lacked $2.5 trillion per year of the financial resources required to achieve the goals of the 2030 Agenda. After the pandemic, the need for crisis packages has further increased. Therefore, domestic and global financial flows must increase and contribute to sustainable development. Domestic public resources, primarily in the form of tax revenues, are the most important sources of funding for all countries to achieve the Global Goals for Sustainable Development. The transformation of private business and finance is another prerequisite.

International development cooperation, one of several areas featured in the financing agenda, is more important than ever to ensure that no one is left behind. Particularly for low-income countries, it is not currently realistic to finance sustainable development without international support. Many countries face unsustainable debt that prevents investment in other areas such as health. At the same time, global tax avoidance and evasion severely undermine efforts to fund welfare systems and the 2030 Agenda.

RECOMMENDATIONS

The Swedish government should:

• Support the introduction of effective public country-by-country reporting for multinational companies in the EU, but also globally in the longer term, with the aim of counteracting illicit financial flows (IFFs) and tax avoidance.

• Increase the development assistance provided to low and middle-income countries to build progressive and efficient tax systems that promote gender equality and contribute to reducing inequality. Also carry out spill over analysis of Sweden’s tax practices to ensure that they do not have a negative impact on these countries’ revenue mobilisation.

• Continue to meet the target of 1 percent ODA/GNI, and intensify political dialogue within the EU and the OECD, with the aim to increase the number of donors committing to and providing a meaningful increase in ODA in line with international commitments.

• Use blended finance in line with international standards and principles of effective development cooperation, and only when there is broad agreement that the development objective should be met through private rather than public investments. Encourage other countries to mobilise private finance without straining scarce ODA resources using Sida guarantees as a positive example.

• Support permanent debt relief for low and middle-income countries facing unsustainable debt. Sweden should also work for an independent multilateral debt restructuring mechanism under UN auspices for managing unsustainable debt based on the goal of fighting poverty.

TAX AVOIDANCE AND TRANSPARENCY

Background
Leaks and investigative journalism have revealed tax avoidance and evasion, money laundering and corruption on a global scale in recent years. These flows are made possible by tax havens and a lack of transparency in the financial system. There is a fine line between what happens within but against the spirit of the law, and outside the law. According to the Tax Justice Network, the world’s governments lose over $500 billion in tax revenue each year due to corporate tax avoidance. The International Monetary Fund (IMF) estimates developing countries annually lose $200 billion.  

The corona crisis has further highlighted the importance of stopping tax avoidance and evasion to enable investment in social security and health care systems that are available to all. An important part of the work to stop various types of tax dodging includes increasing the transparency of multinational companies’ tax payments. Companies should openly report their profits, taxes and other relevant financial data in each country in which they operate, so-called public country-by-country reporting. This would enable elected officials, journalists and others to see if companies pay their fair share of tax in different countries. In 2021, after five years of discussions, EU member states decided to introduce a common EU regulatory framework for public country-by-country reporting for multinational companies. Also within the UN, global rules for public country-by-country reporting are now advocated for in a report by the FACTI Panel (UN High-Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda). This transparency measure has also been supported by several investors and is part of the Global Reporting Initiatives’ (GRIs) voluntary guidelines for multinational companies.

Within the OECD’s so-called BEPS package (Base Erosion and Profit Shifting), there is a non-public exchange of information between tax authorities on companies’ country-by-country reporting. One major problem is that low and middle-income countries are not able to access this information to the same extent as richer countries. None of the countries classified by the UN as being the least developed can access the reports.


Swedish government has repeatedly blocked attempts to establish common rules within the EU for public country-by-country reporting. When the issue was discussed in the EU Competitiveness Council in 2019, Sweden voted the proposal. The Swedish government has justified its refusal by saying that they consider public country-by-country reporting to be a tax issue, not an accounting issue, which means that it believes the decision should be made unanimously by EU member states. A majority of the EU member states and the European Commission do not share this view, and instead believe that the proposal does not affect tax rules or restrict member states’ decision-making power in the field of taxation. In March 2021, despite continued Swedish opposition, the majority needed to take the process further within the EU was reached. As a next step, negotiations on the implementation of the proposal will take place between the European Parliament, the European Council and the European Commission. At UN level, Sweden has not expressed its support for the FACTI Panel’s recommendation on global rules for public country-by-country reporting or any of the other proposed measures on taxation.

CAPACITY BUILDING FOR TAXATION AND GLOBAL DECISION-MAKING

Background

Even before the COVID-19 crisis, many low and middle-income countries had difficulty collecting taxes for a number of reasons including widespread poverty, as well as a lack of capacity to design and implement taxation systems. The progress made so far in increasing tax revenues is insufficient to achieve the objectives of the 2030 Agenda. The economic crisis caused by the pandemic has exacerbated these challenges. Support for capacity building for taxation is therefore increasingly important. Moreover, the support should be designed in a way that reduces inequality and promotes gender equality. In the wake of COVID-19, it is important to think innovatively about taxation and to review opportunities for progressive taxes, as well as to apply taxes on those with the greatest capacity to contribute.

Within the framework of the Addis Tax Initiative (ATI) that was launched in 2015, donors committed to double support for capacity development in the field of taxation in developing countries by 2020. Partner countries in turn committed to improve domestic resource mobilisation at national level. There has been limited progress in achieving these goals. In November 2020, a new ATI declaration was adopted with targets to be achieved by 2025. In addition to the volume target of increased support, there is now a stronger focus on equitable tax policies and policy coherence for development. Donor countries should, for example, carry out spill over analyses of their tax systems to ensure they do not impact negatively on the ability of low and middle income countries to raise revenues in an equitable and effective manner. A new initiative is to support “accountability actors” can scrutinise those in power and hold them into account.

Strengthening the influence of low and middle-income countries when it comes to decision-making in international economic and financial institutions is a specific target of the 2030 Agenda. The UN’s FACTI Panel calls for an intergovernmental body under the auspices of the UN that would enable participation on equal terms in discussions and decisions on tax matters. FACTI also recommends the international community to set up a UN Tax Convention for co-operation on international tax standards and norms. These are recommendations that have long been put forward by low-income countries and civil society organisations.

**Sweden’s policy**

Although Swedish aid in the tax area has increased, the country has not yet fully achieved the ATI target of doubling its support by 2020. Norway is the only Nordic country that has achieved this target. A review of the Nordic countries' aid in the tax area shows that more needs to be done to ensure support goes to building tax systems that reduce inequality and contribute to gender equality. A streamlining of tax systems has often been the focus instead of a broader analysis of the systems’ effects. Sweden, like the other Nordic countries, channels an increasing share of aid in the tax area via the IMF and the World Bank. It is unclear whether this contributes to progressive tax systems that promote gender equality and reduce inequality, not least because several analyses show that the IMF has tended to promote regressive tax systems that have the opposite effect.

As regards the goal of a policy coherence, Sweden has not conducted a spill over analysis to ensure that its policies do not have negative effects on developing countries' domestic resource mobilisation. At the same time, Sweden, like several other countries, has a number of tax treaties that limit developing countries' possibilities to effectively tax companies.

With regard to global tax cooperation, Sweden has not supported the proposal for an intergovernmental body on tax under the UN. Further, Sweden has not yet endorsed the recommendations of the FACTI Panel in this area. Sweden emphasises the importance of strengthening the voice of developing countries in international processes, but has mainly highlighted the OECD’s Base Erosion and Profit Shifting Project (BEPS) and the Global Forum Global Forum on Transparency and Exchange of Information for Tax Purposes. Although the OECD led processes have become more inclusive, the fact remains that developing countries were not invited to participate on equal terms in the development of the BEPS package as they were not included until the implementation phase.

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156 European Network on Debt and Development, “What is it”, [https://www.eurodad.org/tax_justice](https://www.eurodad.org/tax_justice)


COMMITMENTS TO INTERNATIONAL AID

Background

International development assistance is just one of several important financial resources needed for the implementation of the 2030 Agenda, but it is the only one that has poverty reduction as its core purpose. Therefore, it has a critical role in supporting the commitment to leave no one behind, by contributing to better living conditions for people in poverty or those who are marginalised, i.e. those who are furthest from progress towards the SDGs.

In low-income countries, international aid accounts for more than a third of total foreign financial flows. Aid is particularly important there, because other types of international funding, such as private investments and loans, do not reach low-income countries to the same extent. Many of the world’s poor live in middle-income countries with good economic development. There, development cooperation can be beneficial by supporting those demanding accountability, as well as actors for change and discriminated groups.

Donor countries still have a long way to go in order to reach the commitment to provide at least 0.7 percent of GNI in ODA and 0.15-0.20 percent of GNI to the least developed countries. Only a few countries reach the target and, in 2020, development assistance amounted to 0.32 percent of DAC donors’ combined GNI. Even before the outbreak of the pandemic, aid to countries most in need of it had decreased. While the needs are considerably increasing as a result of the pandemic, many donors are reducing the ODA they provide. In addition, the share of ODA given as loans is increasing, despite concerns about a growing debt crisis.

Sweden’s policy

Sweden has a target of giving 1 percent of GNI in ODA. This commitment was renewed with a four-party budget agreement when a new government took office in 2019. The agreement also included more focus on democracy support and a “drive for democracy” has since been announced by the government. Sweden’s ODA was peer reviewed by the OECD’s Development Aid Committee (DAC) in 2019 and received very positive remarks overall.

In 2020, Swedish aid was defined by COVID-19 and its aftermath. Until August 2020, 1.5 billion SEK (around €150 million) of the budget was redistributed towards new measures to support the fight against the pandemic. Most of this financial support was distributed via multilateral organisations. In addition to strengthening health systems and addressing the socio-economic impact of the pandemic, extra funding has also been given to support human rights and democracy, as well as sexual and reproductive health and rights. Sweden has also contributed 200 million SEK (around €20 million) to CO-

VAX. Moreover, many of the development programmes run by Sida’s partners changed focus as required within existing contracts and strategies.

Deductions from the aid budget to cover in-donor refugee costs have resulted in major budget shifts in recent years, undermining the predictability of aid flows. In 2019, the government presented its long-awaited account of how in-donor refugee costs are calculated. This was met with criticism from civil society for its lack of transparency. There was some improvement in the following budget.

In the adjusted budget for 2020, the government increased the development cooperation budget by 750 million SEK (around €75 million), a sum previously deducted to cover in-donor refugee costs. The reason for this is that fewer people have been able to seek asylum in Sweden during the pandemic. The return of resources to the aid budget is good news, since huge investments in poverty reduction are required in the wake of the COVID-19 crisis. At the same time, this illustrates the problem of linking the aid budget with a completely different area of expenditure where rapid and unforeseen budget changes can occur.

The fact that Sweden maintains a generous development cooperation budget also gives it the opportunity to be a leader during dialogue within the EU, the OECD and the UN about retaining ODA commitments and about increasing the support to people where the prospects of achieving the SDGs are lowest. This is particularly relevant in the least developed countries and countries affected by conflict or the climate crisis.

**MOBILISE FINANCIAL RESOURCES TO LOW AND MIDDLE-INCOME COUNTRIES**

*Background*

When the 2030 Agenda was adopted, many donors had hoped that private investments would bring the level of funding for sustainable development from “billions to trillions”, i.e. that development assistance could be used as leverage to mobilise large private financial flows. Today, there is growing talk about “shifting the trillions”, in the sense of using various ways to ensure that all investments contribute to sustainable development.163

Expectations of mobilising large private investment flows for sustainable development have so far not proved realistic, and the COVID-19 crisis has seriously impacted all private financial flows during the past year. Global foreign direct investment (FDI) plummeted 42 percent in 2020, more than during the 2009 recession. The decline was larger in high income countries, but affected low and middle-income countries most severely, especially in Latin America and Africa.164

In low income countries, strengthening the local investment environment is the best way to promote foreign investments. This is often done through technical assistance and capacity building of market institutions, financed through ODA grants. Moreover, specific investments are promoted through a variety of mechanisms. Development finance


institutions (DFIs), which invest in businesses in developing countries, are one such example. Their operations are typically funded by capital injections and through reflows from the portfolios.

In recent years, a lot of attention has been given to blended finance. This involves the use of public development funding to mobilise commercial finance towards sustainable development through measures such as for example concessional loans or guarantees. Blended finance can play an important role in helping to pioneer new markets, and invest at the earliest stages of projects, when risk levels are at their highest. However, there is still little evidence of the development impact, and it is a challenge to hold stakeholders accountable due to lack of transparency in many projects funded through blended finance. In addition, many civil society organisations (CSOs) highlight the risk that grants to social sector activities can be crowded out if more ODA resources are used for blended finance mechanisms. Finally, it should be noted that blending can only be a suitable tool for promoting investments in projects that are potentially profitable without future public funding, and when people do not regard it as controversial that the investment is private rather than public.\textsuperscript{165}

**Sweden’s policy**

Swedfund is the Swedish state-owned DFI, and has for some years now been working to improve its policies and procedures to strengthen its positive – and minimise its negative - impact on sustainable development. An external evaluation found a number of positive results but still a lack of available data on the development impact of Swedfund’s work.\textsuperscript{166} In 2019, the government announced a capital injection of 3 billion SEK into Swedfund to be spread over three years.\textsuperscript{167}

Sida is promoting private investments through a variety of instruments, including guarantees. A recent study established Sida’s work with guarantees to be effective in a number of ways, whereas the system for planning, monitoring and reporting of development results must still be improved.\textsuperscript{168} Most institutions that provide blended finance in the form of guarantees put money (ODA funds) aside in a fund, to be used in cases of defaults on payments. However, the guarantees offered by Sida are backed by the Swedish government. When necessary, part of the guarantee fee can be subsidised by Sida grants. No other Sida grant funds are used to assist with the repayment of defaults. Thus, unlike many other guarantee instruments that cover defaults with ODA, Sida guarantees do not run the risk of crowding out grant aid.\textsuperscript{169}


\textsuperscript{169} Axelson Nycander, G (ACT Swedish church “If this isn’t best practice, then what is?”, 2021, https://blogg.svenskakyrkan.se/opinion/if-this-isnt-best-practice-then-what-is/
UNSUSTAINABLE DEBT AND DEBT RELIEF

Background

Failure to solve the debt crisis\textsuperscript{170}

The economic downturn in the wake of COVID-19 has added to the already high sovereign debt ratios in developing countries before the pandemic. Public debt increased in 108 of 116 low and middle-income countries in 2020. A large number of countries are allocating more resources to debt servicing than to either public health care or education. Debt levels have clearly become unsustainable and undermine the capacity of developing countries to respond to the pandemic, and to make the investments needed to meet the 2030 Agenda commitments.

The responses to the debt crisis provided by the international community – the G20 and the International Financial Institutions (IFIs) – have fallen short of what is needed. The Debt Service Suspension Initiative (DSSI), launched in April 2020, and extended for another six months in April 2021, has only provided a temporary debt payment moratorium to a limited number of countries. Furthermore, there is no binding obligation for private creditors to participate, nor multilateral lenders. The DSSI has been continued by a new common framework, which also does not include private and multilateral creditors, and only targets a limited number of countries. Middle-income countries, with rising levels of poverty exacerbated by the COVID-19 crisis, are excluded from the debt treatment initiatives. Civil society organisations argue for a more ambitious approach, with debt cancellation for all countries in need. CSOs are calling for the establishment of a debt workout mechanism – a transparent, binding and multilateral framework for debt crisis resolution, under the auspices of the UN – in order to provide systematic, timely and fair restructuring of sovereign debt, including cancellation, in a process convening all creditors.

Debt sustainability analyses should take into consideration the impact of a country’s debt burden on its ability to meet development goals, not only the economic capacity to repay debts. Human rights, gender and development impact assessments are essential in this regard. CSOs are also calling for the agreement on common and binding principles for responsible borrowing and lending, to avoid future debt crises.\textsuperscript{171}

Sweden’s policy

Sweden has supported and expressed its participation in the DSSI, but has however no bilateral outstanding loans to the eligible countries. In a letter to Nordic civil society organisations, Peter Eriksson, a Swedish politician (Green Party) and former Minister for International Development Cooperation, emphasised the importance of supporting these countries, stating it was a historic success that the lending countries were coming together to implement this temporary debt relief. Sweden has not stated its support for permanent debt write-offs. Sweden has also not expressed support for the proposal from the UN and civil society to establish an independent debt restructuring mechanism to manage debt. In relation to the pandemic, Sweden has provided ODA to the IMF’s grants for debt service relief to low and middle income countries under the Catastrophe Containment and Relief Trust (CCRT).\textsuperscript{172}

\textsuperscript{170} This text and figures largely come from the Eurodad briefing A debt pandemic, Dynamics and implications of the debt crisis of 2020, written by Daniel Munevar, March 2021.

\textsuperscript{171} European Network on Debt and Development, “Debt justice”, https://www.eurodad.org/debt_justice
