

Country strategy for Swedish development cooperation with

Russia

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Country strategy for Swedish development cooperation with Russia: 2005-2008

Introduction

The Government has decided to establish a country strategy for development cooperation with Russia, as with other priority countries in Eastern Europe. The country strategy will determine the scale and scope of Swedish development cooperation with Russia during the period 2005-2008. The strategy is based on proposals from the Swedish International Development Cooperation Agency (Sida), supplemented by the Ministry for Foreign Affairs' own considerations, the views of other ministries engaged in development cooperation with Russia, and both Russian priorities presented in the course of ongoing cooperation with Swedish counterparts and priorities identified during Sweden's discussions with Russian partners.

1. Summary

Development cooperation with Russia should focus on helping to carry forward the reform process and thereby contributing to fair and sustainable development and an eventual reduction in all aspects of poverty. A democratic and economically prosperous Russia that seeks further integration with Europe and has stronger ties with the world around it enhances stability in the region.

Deeper relations between Sweden and Russia are to be sought as part of the transition to regular cooperation between neighbouring countries. Based on the

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needs and priorities of the Russian side, interventions are to focus on those fields in which Sweden has skills that are both acknowledged and sought-after. The Swedish resource base is to be made use of wherever possible.

Swedish-Russian development cooperation will continue to focus mainly on deepening democracy, economic transition, social security, the environment, common security, and education and research.

Under the Government's guidelines, support to Russia, too, is to be guided by the overarching objective of Swedish development cooperation, namely to help create the kinds of conditions that enable poor people to improve their lives. A multidimensional poverty analysis of Russia reveals both substantial income gaps and marginalised groups in society. Many people are experiencing a lack of power, rights and influence in public life. The social care system is working poorly in parts, and there are major health problems. The areas of deepening democracy and social security, which are deemed to have the greatest impact on the situation of poor people, are expected to grow in importance in the development cooperation programme, relative to other areas. Proceeding from a long-term reform perspective, the choice and design of Swedish interventions must take into account their impact on poor groups in Russia.

The Russian reform process is expected to continue in 2005-2008 although at a slower pace. New solutions are still required to deal with a range of social problems. This paves the way for meaningful, reform-minded development cooperation efforts during the coming four-year period.

In geographical terms, cooperation in 2005-2008 will as before be concentrated to the north-western part of the country. To facilitate dissemination of the results achieved so far in the Swedish-Russian development programme at the regional

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and local level, cooperation with the corresponding federal structures in Moscow is to be established and strengthened in the priority areas.

During the forthcoming strategy period, development assistance to Russia should be reduced in volume, and is expected to amount to SEK 160 million in 2008. At the same time, there will be a shift to the normal give-and-take of cooperation between neighbouring countries, with the emphasis on projects and programmes of mutual benefit to Sweden and Russia.

2. Reform policies and the process of transition in Russia

During the years 2000-2004, Russia stepped up its reform process. A reform of the entire public administration system is under way. A far-reaching land reform programme, including land laws, has been launched. The system of local autonomy has been revised. Reformation of the municipal benefit and social security system and of the social transfer system is under way.

The State Duma that was elected in December 2003 is more firmly behind the President than its predecessor. The power and influence of the country's business magnates, or oligarchs, has been cut back. Political centralisation and the concentration of power in the hands of the President have caused some controversy in Russia. The Russian leadership is striving for closer relations with the West.

Compared to the situation during the Soviet era, respect for human rights has increased dramatically. A number of questions remain, however, concerning the rule of law. In recent years, the Russian government has exercised an increasingly strong influence on the media, particularly on television broadcasting.

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Economic growth

The Russian economy has grown substantially and steadily over the past five years. Growth has primarily been driven by the oil and gas sector, which today accounts for approx. 25 per cent of GDP. Domestic investments have increased significantly in recent years, but need to rise further. Foreign direct investment is still limited, although increasing slightly. President Putin's goal is a doubling of the Russian GDP over a ten-year period. This will necessitate extensive measures to boost efficiency and to restructure the Russian economy. Obstacles to such a development include widespread corruption, weak law courts and inadequate protection of private ownership. Little progress has been made towards ensuring proper compliance with existing legislation.

Poverty

During the Soviet era, almost everyone had a job, a means of support, educational opportunities and access to health care. At the same time, people lacked political rights and lived in a surveillance society in which a small elite enjoyed both power and financial benefits. The collapse of the Soviet Union led to significant changes from a rights perspective, entailing both advantages and disadvantages for the population. Freedom of expression, political freedom and private ownership have improved the lives of many, but the decline of the old social security systems has created new groups of poor.

The redistribution of assets in Russia during the 1990s was dramatic, and as a result the country is now experiencing huge income gaps. Poverty almost doubled by 1999, and today over 20 million people are classed as poor. In recent years, however, real wages have risen and poverty has been reduced.

The largest group of Russian poor, just over 40 per cent, are gainfully employed. Non-working pensioners are the second largest group, and self-employed people the third largest. The first group includes the country's ordinary families, i.e. households with two parents and one or two children. These families were reduced

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to poverty by the economic crisis of the 1990s. As a rule, however, poverty in this group is not deep-rooted and many of the families have managed to improve their living standards in recent years. There are major regional differences. Gender-based analyses of poverty levels have noted a feminisation of poverty in Russia. Worst off are single mothers and parents with several children. Russian poverty is variable, and the World Bank takes the view in its most recent poverty report, from September 2004, that these groups respond favourably to growth in combination with higher wages.

Over the past ten years, men's life expectancy at birth in Russia has fallen from 62.0 to 58.4 years, while women's life expectancy has declined from 73.8 to 72.1 years. The demographic trend is negative. The number of HIV carriers is estimated at approx. one million. Alcoholism and drug abuse represent the foremost social problem in Russia, along with violence between individuals. Each year, according to official figures, 14,000 women are killed by men close to them.

The number of children without parental supervision who have been placed in institutions doubled during the 1990s and now totals 700,000.

Future development

The trend in Russia appears to be towards further economic growth and greater political centralisation. The market system is now well developed, but further structural reforms are required if it is to function efficiently, and this is a matter of political will. Central government is still an important economic actor, increasingly so in respect of the country's strategic resources.

President Putin has begun his second term of office by publicly declaring that Russia must combat poverty. The proportion of Russians living in poverty is to be halved within three years. The President's stated ambition is to reduce poverty

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through economic growth and transfers. In the World Bank's assessment, however, Russia cannot rely on high growth figures to solve its problems, and the bank has called for a stronger political focus on poverty alleviation.

3. The results of cooperation to date

Fiscal 2002, 2003 and 2004 yielded the largest Swedish disbursements since development cooperation with Russia began. In 2004, more than SEK 465 was paid out, almost half of which went to the funding of important investments in the environment field.

Swedish assistance to Russia is channelled by the Government via Sida and the Swedish Institute (SI). In addition, funds are disbursed from the Ministry for Foreign Affairs directly. Total disbursements from Sida, the SI and the Ministry for Foreign Affairs for these three fiscal years amounted to just over SEK 1 billion, distributed as follows (in SEK th.):

	2002	2003	2004	2002-2004	Proportion
Deepening democracy	33 257	41 084	82 481	156 822	16%
Economic transition	69 103	60 833	49 996	179 932	18%
Social security	45 026	33 822	76 492	155 339	15%
Environment	96 891	102 670	206 548	406 110	40%
Common security	10 177	4 642	13 611	28 429	3%
Education and research	21 491	26 027	26 395	73 914	7%
Other areas	203	532	10 225	10 960	1%
Total	276 149	269 610	465 748	1 011 506	100%

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Independent evaluations have confirmed that Sweden's development cooperation with Russia has had considerable relevance for the fulfilment of the stated objectives, and has contributed to progress in a number of sectors. It has also made a substantial contribution to the Russian reform process. Sweden's strategy of emphasising cooperation with the region closest to it, i.e. North West Russia, has proved a success. At the same time, events have shown that the results of development cooperation at the local and regional level need to be endorsed at the federal level so that they may then be spread further through Russian society. During the period under review, Sweden has stepped up its development cooperation presence at the federal level, and this has yielded valuable results.

Experience shows that the most important factors for the success of development cooperation efforts in Russia are skill and determination on both sides and the presence of a strong Russian interest in reforms in the subject areas concerned. Success has frequently proved easier to achieve if the situation involves problems of a technical nature in an area in which Swedish experts have wide experience. This type of cooperation can then move on from technical issues to other issues, e.g. to organisational or policy matters. In certain projects, experts from other countries in economic transition, such as the Baltic States or Poland, have sometimes proved a valuable addition in that they have been able to bring their own highly relevant knowledge and expertise to bear. Due to the way the programme is constructed, transfers of Swedish knowledge and know-how in Russia have not been affected by the corruption problem.

Cooperation with ministries and other federal structures in Moscow is important if the results hitherto achieved in Swedish-Russian development cooperation at the regional and local levels are to be disseminated further. Cooperation of this kind has been established with the Ministry of Finance, the Ministry of Economic Development and Trade, and the Ministry of Social Affairs. Sweden is in frequent

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communication with the ministries responsible for environment and energy policies. Efforts are currently being made to strengthen relations with the authorities responsible for the judicial sector and the forestry sector.

The transition to normal cross-border cooperation

A number of successful development projects can now be brought into the completion phase, among them the land surveying project, which has been in progress for fifteen years and which has helped to develop a broad range of skills on the Russian side. Given the improvement in the general business climate in Russia, it should also be possible to reduce Swedish assistance to parts of the business sector during the coming strategy period.

Activities in this field to date have in some cases contributed to the establishment and strengthening of normal cooperation. In other areas, there is a potential for such a development in the future. At present, for instance, we are seeing a gradual transition from development cooperation to normal cross-border cooperation between Swedish and Russian authorities in certain fields, such as customs, police, sea rescue and oil damage control, environment matters, the fight against drugs, and infectious disease control. The transition to normal cross-border cooperation should be effectuated in such a way that inter-agency cooperation in areas of strong mutual interest can continue and draw on the experience gained so far.

Twinning programmes and cooperation between NGOs are both likely to continue to some extent when Sida's financing comes to an end. Also, some business development initiatives have proved capable of generating lasting commercial relations. In the environment field, Russian and Swedish authorities are already cooperating on a normal basis in the international arena, and the development cooperation programme is strengthening these joint efforts.

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4. Other donors

The considerable economic growth that Russia has experienced in recent years has led a number of donors, including the UK and the US, to reassess their assistance and to begin winding it down. The European Commission, too, has announced cuts and reallocations in connection with its review of cooperation with the countries of the former Soviet Union. In addition, there is a tendency for donors to focus assistance more closely on areas that affect others besides the recipient country, for such purposes as preventing the spread of weapons of mass destruction, promoting trade and other forms of economic exchange, and for preventing smuggling and illegal migration.

Coordination of international assistance is highly developed as regards environmental projects and programmes in North West Russia, including internationally coordinated interventions such as HELCOM and NDEP. The coordination of other kinds of development assistance, however, is generally weak. There are some exceptions, such as work in the administrative field and work with HIV/Aids, where the Russian Government has called in both the World Bank and UNAIDS to help improve coordination. The European Commission delegation in Moscow has arranged for an ongoing exchange of information among EU countries. The G8 Global Partnership against the proliferation of WMDs is also to be given due consideration as a forum for coordination.

5. Reforms and closer ties with the EU

How Russia develops in the future is of major importance to Sweden. The continuation of the Russian reform process is encouraging. It is hoped this will lead to further consolidation both of democracy and of the market economy in Russia and help to strengthen the ties between Russia and the rest of Europe. A

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continuation of the reform process can help Russia develop closer ties with the EU while at the same time Russian efforts to improve relations with the Union can reinforce the reform process. Further reforms are also vital if Swedish development assistance is to remain meaningful.

Russia and the EU have strong mutual ties and common interests in a number of areas. Russia is slowly but steadily developing closer ties with European structures and regulatory frameworks under the joint harmonisation process that constitutes an integral part of international cooperation. A basic aim of Swedish cooperation with Russia in the reform field is the continued development of broad, deep and closer ties between Russia and the EU in a number of different dimensions. Swedish reform efforts, therefore, should reflect the EU's policy on Russia and be implemented in accordance with it.

The Swedish-Russian development cooperation programme has sought to bring Russia closer to the EU. Initiatives to this end have included support for economic reforms and environment cooperation around the Baltic Sea. In the social field, an innovative Swedish-Russian programme centring on social services and social work has been supplemented in recent years by joint efforts to combat infectious diseases. Further cooperation within the framework of international treaties and conventions relating to the Baltic Sea environment, which is in the interest of all the shore states, is being supported by Sweden both technologically and financially. Cooperation between Sweden and Russia in the field of higher education and research is proving valuable in the development of a joint knowledge society around the Baltic Sea.

6. The goals of development cooperation with Russia

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The overall objective of Sweden's policy for global development, as laid down in Government Bill 2002/3:122, is fair and sustainable global development. The goal of Swedish development cooperation with Russia is to help create the kinds of conditions that enable poor people to improve their lives. A further goal is to help the country integrate more fully with European cooperation structures. Deeper relations between Sweden and Russia are to be sought as part of the anticipated transition to normal cooperation between neighbouring countries.

Development cooperation with Russia is to focus on promoting further reforms that help bring about fair and sustainable development and an eventual reduction of poverty in all its various dimensions. A democratic, economically prosperous and more equitable Russia that seeks closer integration with Europe and has stronger ties with Sweden would enhance stability in the region and be to Sweden's advantage.

In light of developments in Russia, a reasonable course is for Swedish development cooperation targeting the transformation of the Russian system to be gradually superseded by normal cooperation between neighbours. Accordingly, the whole programme of government-financed Swedish assistance to Russia will now enter a phase during which development cooperation will be wound down and neighbouring-country cooperation will be stepped up. Sweden can encourage such a transition by increasingly prioritising development cooperation efforts of mutual benefit to both countries.

7. The scale and scope of cooperation in 2005-2008

The main areas of Sweden-Russian development cooperation will continue to be deepening democracy, economic transition, social security, environment matters, common security, and education and research. The principal working methods will

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be consultancy, exchanges of experience and other forms of knowledge transfer. Annual appropriation needs for Russia will diminish during the period and are expected to amount to approx. SEK 160 million in 2008.

Proceeding from a long-term reform perspective, Sida is to take into account the impact on poor and vulnerable groups in Russia when deciding the choice and content of interventions. This may mean providing support to innovations and reforms in the social security field, to reforms that promote respect for the rights of vulnerable groups, to efforts to combat corruption, and to measures that deepen democracy and make it easier for people to control their own futures. Based on the needs and priorities of the Russian side, interventions are to focus on those fields in which Sweden has skills that are both acknowledged and in demand. The Swedish resource base is to be made use of wherever possible.

Development cooperation with Russia must continue to focus on efforts to promote knowledge development, method development and institutional development in support both of the reform process and of economic and social adjustment in Russia. Investment projects may be given consideration in the energy and environment fields. All development cooperation with Russia is to be informed by a gender equality perspective and by a children's rights perspective based on the UN Convention on the Rights of the Child.

Swedish development assistance is to help broaden and strengthen the points of contact between Russia and the EU, in pursuit of stability and security in the region. Russia's efforts to achieve closer integration with Western and democratic cooperation structures should be supported, together with neighbourhood cooperation along the new EU border, particularly in the Kaliningrad area.

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Swedish development assistance must be coordinated with the assistance provided by other donors both to Russia and to regional cooperation, especially with that provided by the EU member states and the European Commission.

Coordination with the international financing institutions and with the UN group is to continue. In addition, Swedish development cooperation is to supplement and reinforce the cooperation efforts under way in the Arctic Council, the Barents Euro-Arctic Council and the Council of the Baltic Sea States, and the efforts under way in other multilateral forums such as the Nordic Council of Ministers, the UN/ECE and the G8 Global Partnership.

Programmes must also seek to increase cooperation between Swedish companies, organisations, grassroots movements and central and local government authorities and their counterparts in Russia, and to boost trade and cultural exchange between the two countries. In addition, Swedish interventions are to contribute to the continuing development of normal cooperation between Russian and Swedish partners.

In the environment and energy fields in particular, further support is anticipated for a number of investment projects, including ones within the Northern Dimension Environmental Partnership (NDEP) framework. Support for small and medium sized projects via the Nordic Environment Finance Corporation (NEFCO) is expected to continue.

Concentration

Institutional reforms take time and require years of committed effort on the part of both Swedish and Russian actors. Swedish assistance should be directed at high-priority reform areas, include multiyear interventions, and focus to a greater extent on large, coherent programmes. Geographically, cooperation should be

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concentrated to the north-western part of the country: the city of St Petersburg, the counties of Murmansk, Archangel, Leningrad, Novgorod, Pskov, Vologda and Kaliningrad, and the republics of Karelia and Komi. Occasional efforts may be required in other regions. Also, interventions of a federal nature will be undertaken. The aim is for cooperation efforts in the counties of Leningrad, Pskov and Kaliningrad to promote the development and deepening of cross-border contact with the Baltic countries. The lessons learned by the EU's new member states should be turned to account in tripartite cooperation insofar as this benefits development in Russia.

The dissemination of results

To facilitate the dissemination of the results of Swedish-Russian development cooperation hitherto achieved at the regional and local levels, cooperation is to be established with the corresponding federal structures in Moscow in priority areas. Where such cooperation has already been established, it is to be intensified. Also, interventions implemented jointly at the federal and regional level can be mutually reinforcing and produce better results. In this way, Swedish initiatives can have a greater impact on long-term national reform processes.

The gender perspective

All development cooperation between Russia and Sweden must be informed by a gender perspective. The principal aim should be gender mainstreaming, i.e. letting gender equality considerations inform all interventions. In addition, special initiatives may be warranted specifically targeting women and/or men, such as efforts to enhance the role of women as leaders, opinion makers and politicians, and measures that provide them with greater protection and social support. Priority should also be given to initiatives focusing on men's roles and the problem of male violence.

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Areas of activity

The six main areas of activity for Swedish-Russian development cooperation, and their respective goals and relative shares of the programme, are as follows:

Deepening democracy	To promote a deepening of Russian democratic structures, respect for human rights and the rule of law, and to help strengthen civil society and citizen participation in public life. This area of cooperation should be given a greater share of Swedish assistance.
Economic transition	To promote both greater efficiency in the Russian market economy and a higher employment rate by strengthening small and medium sized enterprises, and to help boost trade and international economic cooperation. This area is expected to receive a smaller share of Swedish assistance.
Social security	To promote social security through reforms in the health care and social services sectors. This area should be given a greater share of Swedish assistance.
Environment	To promote environmentally sustainable development with the emphasis on the Baltic Sea region. This area is expected to decline in importance to some degree.
Common security	To promote common security in the region. This area's relative share of Swedish assistance is expected to remain unchanged.

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Education and research To promote the development of research and educational capacity in the country and to create long-term networks uniting research and educational institutions in Sweden and Russia. This area is expected to receive a relatively smaller share of Swedish assistance during the coming strategy period.

7.1 Deepening democracy

The goal of Swedish efforts in this field is to enhance and deepen democracy by strengthening democratic institutions and structures and by promoting gender equality, active popular participation, democratic governance and respect for human rights. Giving people power and influence in the various public processes benefits society as a whole and leads to a more sustainable development. Support for efforts to deepen democracy is expected to be increased during the coming strategy period.

Human rights

Support for action that strengthens respect for human rights should be increased. Such support can either be channelled via NGOs or voluntary groups or be provided through collaboration with the Russian authorities. The support can also be provided in the form of grants for joint initiatives by Swedish and Russian organisations. Support to legally secure, democratic institutions and to sustainable socioeconomic development is warranted in Northern Caucasus.

The situation of the indigenous population in North West Russia should be taken into consideration. Interventions should be in line with the efforts of the Barents Euro-Arctic Council's Working Group of Indigenous Peoples.

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Gender equality

While a gender perspective is to be mainstreamed into all development cooperation with Russia, support may also be provided to certain targeted projects addressing the issue of gender equality. These may include efforts to promote a gender balance in political representation, to highlight men's domestic roles and to prevent gender-based violence.

Administrative reform

Efficient and trustworthy administrative institutions are essential to a properly working democratic society and are of great value both to the general public and to the business sector. Swedish support should primarily target both the federal administration and the work under way to create a more efficient public administration. It should also be informed by a citizens' rights perspective and encourage greater transparency in the administration and in the community at large. Other interventions that can inhibit corruption should also be considered.

Legal cooperation

The judicial sphere is of crucial importance to the reform process and should be given additional support. Efforts to combat human trafficking should be also be given priority. A range of actors – including the migration, police and prosecution authorities – need to be brought into the development cooperation process aiming to strengthen the rule of law in Russia.

Local autonomy, political training and cooperation with grassroots movements

Efforts in support of local autonomy should focus on the building and reinforcement of municipal and regional authorities and on the training of local political representatives. Twinning programmes with Russia, which are now in a deeper phase, are a suitable instrument for direct communication between Sweden and Russia at the local and regional level, and are expected to increase over the next

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few years. Sweden should as a matter of urgency provide training in support of democratic forces, institutions and individuals who are themselves engaged in strengthening the democratic process. Cooperation projects aimed at strengthening the role of politicians and the democratic task in Russia should be continued. It is also important for Sweden to support the development of civil society, for instance through closer contact between grassroots movements and other popular organisations.

The media and press freedoms

Interventions in the field of media and press freedom should continue and focus primarily on economic and legal consultancy, on training, and on strengthening independent media. To promote sustainability in project outcomes and to progress towards normal forms of cooperation, training programmes should primarily seek to build capacity in Russian universities, institutes and similar organisations. Cooperation with Russian journalists should also be encouraged.

7.2 Economic transition

How production develops in Russia is of crucial importance to employment and public revenue, which means it has a leading role in the fight against poverty. Administrative reforms are vital to the success of economic transition in the country.

Swedish development cooperation seeks to boost employment by strengthening small and medium sized enterprises and by improving conditions for trade and international economic cooperation, e.g. by helping Russia adjust to WTO requirements.

Support should also be provided to Russian organisations and think tanks working with independent information and analysing the results of reforms and social

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change in the wake of transition. Cooperation in respect of economic transition is expected to decline during the strategy period.

Measures in the business sector

In planning further interventions, Swedish development cooperation should be coordinated as far as possible with that of other donors and also with international financial organisations, in order to maximise the overall impact of measures relating to economic transition.

Efforts in the business field should again focus on the regional development of small and medium sized enterprises and on the training of entrepreneurs. In addition, special initiatives should be considered in the case of Kaliningrad and Pskov aimed at promoting cooperation between Russia and its neighbours in border areas, especially cooperation with the Baltic countries.

The 'Start-Up East' programme, designed for small Swedish businesses planning to establish operations in Eastern Europe, is expected to continue expanding in Russia. At the end of the four-year period, the 'Develop Your Business' programme will be phased out and be superseded by regular, self-financing activities.

Forestry

Support to the reform process currently under way in the forestry sector will be broadened into a more extensive programme of Swedish-Russian cooperation emphasising environmentally sustainable forestry. Measures will include disseminating a model forest concept and providing support to various training institutions in the forestry sector, promoting certification and combating illegal logging practices.

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7.3 Social security

The new outbreak of poverty in Russia has led to declining health as the result of a steep rise in TB and HIV/Aids and poor public health. The old social welfare safety nets fell apart, and new ones are slowly being constructed. Swedish development cooperation in the social field is to help promote greater social security by supporting the development of methods and policies in the health care and social care sectors. Helping to develop efficient administrative practices in the social administration field at federal, regional and local level is a step towards promoting the rights of the poor in post-Soviet society. Coordination with other bilateral and multilateral organisations is a desirable step, for instance within the framework of the Northern Dimension Partnership on Public Health and Social Well-being (NDPHS). Cooperation in the social field should be increased in relative terms during the coming strategy period.

Children and young people

Priority is to be given to preventive measures designed to strengthen families and enable maltreated children to escape being placed in institutions and having to grow up there.

Public health

In the public health field, educational and training programmes relating to young people's health and wellbeing should be given greater emphasis. The high death rate from road accidents, poisoning and murder should be given due attention. Preventive action in areas such as alcohol and tobacco consumption and support for the further development of primary care in the health care sector are both matters of urgency. The use of preventive measures to reduce the spread of infectious diseases is a priority field.

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HIV/Aids, alcoholism and drug abuse

HIV is currently spreading faster in Russia than anywhere else in the world. Sida plans to support UNAIDS in the agency's implementation of the 'Three Ones' concept in relation to HIV/Aids in Russia. This involves supporting efforts to build up the capacity of key figures in public administration and to develop **one** national framework for joint decision-making, **one** national strategy, and **one** system for monitoring and evaluation. For the first time, the chances of establishing a national programme to combat HIV/Aids in Russia appear to be good.

Preventive measures in the sex education field are important, as is action to reduce the stigmatisation of vulnerable groups in society. Special measures to strengthen the role of the public authorities in preventing drug abuse and providing effective aftercare may also be considered. Information campaigns to heighten awareness among decision-makers and the population at large regarding the effects of abuse are an important instrument, particularly ones that focus on the country's youth.

People with disabilities

An important goal is to reduce the social stigma and support the rights and integration of people with disabilities in Russian society. Initiatives in this area should be based on the UN Declaration of Human Rights and on standard rules laying down the right of people with disabilities to participation and equality.

Trafficking in human beings

Efforts to reduce and combat human trafficking are to continue. Special attention should be given to preventive measures.

7.4 Environment

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The aim of Swedish environmental support is to help improve, protect and preserve the environment in the Baltic Sea region and in North West Russia. Favourable developments in this respect contribute to a better environment and better health, and thus to better living conditions, not least for vulnerable groups. Swedish development cooperation supplements the environment policy work being undertaken in the region and contributes to the further implementation of the Baltic Action Programme and Agenda 21 for the Baltic region (Baltic 21) in pursuit of sustainable development around the Baltic Sea, of the environment and energy action programme operated by BASREC, and of initiatives under the Northern Dimension Environmental Partnership (NDEP). Due to previous commitments, disbursements in this area of cooperation will remain at a high level, but Sweden's new commitments are expected to be lower and to decline relative to previous years.

Swedish support is to be provided to financially and environmentally sustainable projects that enhance reform. As part of Sweden's development cooperation effort, Swedish consultants, entrepreneurs and suppliers will be given the opportunity to establish ties with Russian purchasers and partners, thus creating future business opportunities in the Russian market, outside the development cooperation framework. Development cooperation can supplement and reinforce normal cooperation efforts and create conditions for further and deeper cooperation between neighbouring states.

Investment projects

Investment projects in the environment field take a long time to develop, due largely to financing problems and bureaucratic obstacles. Coordination with the international financing bodies is to continue, particularly with the NDEP, which represents an important channel for environmental assistance from the EU and the international financing institutions to North West Russia. The stated priorities of

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Baltic Sea cooperation also necessitate further investment in wastewater treatment, chiefly to remedy the major sources of pollution present in the St Petersburg region and in Kaliningrad and to develop action programmes in the agricultural environment field. Other important concerns include waste disposal and the need to increase energy efficiency in district heating.

The EU water directive

There is also a considerable need of environmental action in respect of cross-border waterways between Russia and the EU. Based on the EU's water edict, the Water Framework Directive, efforts should be made to create synergies between the joint work of the authorities, investment initiatives and other interventions targeting such areas as agriculture in the Neva-Ladoga catchment area.

Inter-agency cooperation

Cooperation between public authorities in the environment field should be directed principally at water conservancy, environmental protection, nature conservancy, chemicals, information and competence-building for the implementation of both the UN Framework Convention on Climate Change and the goals of the Kyoto Protocol. Support via the Swedish Nuclear Power Inspectorate and the Swedish Radiation Protection Authority should include action to strengthen reactor safety, the management of spent fuel and radioactive waste, preparedness for nuclear accidents, and radiation protection measures.

7.5 Common security

Swedish development cooperation aims to promote common security in the region in both the military and civilian spheres. It is also intended to improve Baltic-Russian relations and to help integrate Kaliningrad into regional cooperation efforts. In addition, support for cross-border programmes and security policy

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cooperation will be forthcoming. This area of cooperation is expected to maintain the same relative level as in previous years.

Swedish assistance will focus primarily on knowledge transfers and institution building in various forms, but may also involve some support in the materiel field. The aim of these initiatives is to promote Russia's integration into European and other international cooperation structures and also to promote regional cooperation. Interventions for the purpose of developing security-enhancing cooperation with Kaliningrad should be given special attention. Active exchanges in pursuit of enhanced security policy skills should be encouraged. Support should be provided to seminars and training programmes targeting representatives of the Russian state and civil society. Swedish assistance should also target the Russian defence environment and the country's preparedness for accidents and disasters.

Regarding the non-proliferation of WMDs, Russia should be given continued support to help it fulfil its international obligations in this area. This type of assistance represents a Swedish contribution to the G8 Global Partnership. Institutions in the field of asylum and migration policy must be strengthened as a matter of urgency. Issues relating to the right of asylum in a human rights context remain an important concern. Measures to combat illegal migration should be linked to migration programmes and to the fight against international cross-border crime.

Given Sweden's strong interest in efficient security-related cooperation in our international vicinity, the agencies concerned should make plans to integrate future development cooperation with Russia into their regular activities.

7.6 *Education and research*

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The aim of Swedish development cooperation in education and research is to promote a mutual understanding of the countries' respective cultures by helping to strengthen research and educational capacity in Russia and by creating efficient, long-term networks that unite educational institutions in Sweden and Russia, primarily in North West Russia and the Moscow region. This support, which is largely managed by the Swedish Institute (SI), goes to educational initiatives of various kinds and to Swedish language tuition in Russia for the purpose of encouraging democratic development. During the strategy period, parts of this programme may be switched to the normal sphere of cooperation between neighbouring countries, outside the framework of development cooperation.

Cooperation in the field of adult education is still distinguished by the substantial differences that exist between the Swedish and Russian adult education sectors. Swedish experience of cooperation between the business sector, municipalities and training providers in such areas as advanced vocational training may prove valuable in a Russian context. The main focus of Swedish assistance should continue to be cooperation between institutions associated with the public education system, but the possibility of supporting important projects in which the Russian partner is an NGO should not be excluded.

The Swedish Institute should continue to provide support to academic institutions in Russia offering Swedish language tuition.

8. Humanitarian assistance

Parallel to the development cooperation programme, Sweden has also financed humanitarian efforts in Russia, as part of its programme for humanitarian action and conflict management, focusing chiefly on the conflict in Chechnya. Further interventions may be considered.

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9. Follow-up

Implementation of the country strategy is followed up in Sida's annual and semiannual reports, which provide a basis for the consultative meetings due to be held between the Ministry for Foreign Affairs and Sida.



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