

Strategy for Sweden's reform cooperation with Eastern Europe, the Western Balkans and Türkiye 2026–2030

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1. Starting points and added value

This Strategy governs Sweden's reform cooperation with Eastern Europe, the Western Balkans and Türkiye during the period 2026–2030. The Eastern Europe component of the Strategy covers Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine¹. The Western Balkans component of the Strategy encompasses bilateral initiatives in Albania, Bosnia and Herzegovina, Kosovo, North Macedonia and Serbia. The Strategy also covers bilateral initiatives in Türkiye².

Developments in these countries are of strategic significance to Sweden and the EU. Sweden's support to these countries' reform processes is an investment in peace, security, stability and prosperity. It is based on freedom and democracy, human rights and freedoms, and opportunities for people to improve their own living conditions. The basic premise of Sweden's support is that increased integration with the EU is the primary driving force of reforms and a key objective with widespread popular support in many countries. Russia's full-scale invasion of Ukraine has led to renewed determination in these efforts.

This Strategy will therefore support countries' own efforts to establish closer ties with the EU through reforms that contribute to stronger democratic institutions and civil society, better prospects for economic development through job creation and trade, improved migration management and faster green transition- The Strategy thus covers, in addition to state actors, other actors mentioned in the strategy that promote Sweden's development assistance policy agenda, including those in civil society. Where appropriate, the Strategy will be implemented in coordination with humanitarian initiatives.

Sweden's support through the Strategy will be provided with the expectation of a constructive will to cooperate and go primarily to countries that are strengthening their democratic societal institutions, developing their economies, and safeguarding human rights and freedoms and international law. If a country's leadership lacks the will for democratic reform, cooperation should be carried out in partnership with civil society and other actors that promote Sweden's development assistance policy agenda. The EU enlargement policy and the Eastern Partnership are key political frameworks for relations between the EU and the countries covered by this

¹In Armenia, Georgia, Moldova, Ukraine and Belarus, implementation of both bilateral and regional initiatives should be possible. Initiatives in Ukraine and Azerbaijan can only be regional. Bilateral support to Ukraine is carried out within the *Strategy for Sweden's reconstruction and reform cooperation work with Ukraine 2023–2027*.

²For partner countries in the Western Balkans, and Montenegro and Türkiye, it is possible to implement certain regional initiatives of particular importance for Swedish foreign and development assistance policy, in consultation with the Ministry for Foreign Affairs.

Strategy. Sweden's reform support will primarily be coordinated with EU development assistance, but also with other donors and relevant actors.

The countries in Eastern Europe and the Western Balkans, and Türkiye, bear the main responsibility for their own development, but international support can play a catalytic role in enabling them to implement the comprehensive reforms required.

Possibilities to help strengthen institutions and contribute to capacity development at national and local level through inter-agency collaboration will be harnessed, as will synergies between development cooperation, business promotion and trade policy. This Strategy will be implemented in close collaboration with other relevant strategies.

Sweden's development cooperation will promote reforms. Some countries in the region are showing a strong will to reform, while others are not showing any concrete ambition to advance in their EU rapprochement. Both the approach and extent of Sweden's support will be adapted based on each country's conditions, pace of reform and geopolitical choices in terms of establishing closer ties with the EU, in accordance with the EU's common foreign and security policy. Promoting effective implementation of reforms that benefit inhabitants of the partner countries and encourage continued reform efforts are prioritised. As regards the component of the cooperation that takes place state-to-state, countries that clearly demonstrate the will to reform and thus have the possibility of making greater progress will be prioritised over those where the opposite is the case.

Through regular consultation, the four government agencies implementing the strategy³ will maintain a close dialogue with the Government Offices (Ministry for Foreign Affairs) on these issues.

2. Direction and objectives of Swedish development assistance

The aim of Sweden's international development assistance is to create conditions to improve the lives of people living in poverty and oppression. Swedish development assistance should focus on bringing about change and promote free and well-functioning democratic societies that raise their standard of living and prosperity. Development cooperation is a key foreign policy tool and can also help promote and safeguard Sweden's political interests and priorities.

Development cooperation under this Strategy will support countries' reform efforts in line with establishing closer ties with the EU, based on the Government's Reform agenda for Swedish development assistance: *Development assistance for a new era – freedom, empowerment and sustainable growth* (UD2023/17726). The 'Assignment on implementation and monitoring of

³ The Swedish International Development Cooperation Agency (Sida), the Folke Bernadotte Academy (FBA), Sweden's Consulate-General in Istanbul and the Swedish Institute (SI)

country strategies and other strategies in development assistance' (UD2024/17865) will guide the implementation of this Strategy.

The regional Strategy for Eastern Europe, the Western Balkans and Türkiye covers the period 2026–2030 and comprises a total of SEK 7.931 billion. The Swedish International Development Cooperation Agency's (Sida) activities comprise SEK 4.39 billion in Eastern Europe, SEK 2.78 billion in the Western Balkans and SEK 250 million in Türkiye. Activities at the Swedish Consulate-General in Istanbul comprise SEK 35 million. The Folke Bernadotte Academy's (FBA) activities in Eastern Europe comprise SEK 40 million and SEK 42 million in the Western Balkans. The Swedish Institute's (SI) activities in Eastern Europe, the Western Balkans and Türkiye comprise SEK 394 million.

The Strategy governs the use of funds allocated each budget year in the appropriation directions for Sida (appropriation item 23), the SI (appropriation item 21) and the FBA (appropriation items 1:1.4 Development assistance and 1:4.1 regarding administration costs in the implementation of the Strategy). It also covers funding for the Consulate-General in Istanbul for each respective budget year in the appropriation directions regarding appropriation item 1:1 Development assistance (appropriation item 29.6).

The activities carried out by Sida, the Consulate-General in Istanbul and the SI will contribute to the following objective:

– strengthened democratic development, with increased respect for human rights and freedoms and the rule of law, and gender equality

Sida's and the SI's activities will contribute to the following objective:

– stronger economic development through job creation and trade

Sida's and the FBA's activities will contribute to the following objective:

– enhanced capacity to prevent, manage and resolve conflicts, including increased resilience to hybrid threats

Sida's activities will contribute to the following objectives:

– enhanced capacity to manage migration – focusing on counteracting irregular migration – and improved conditions for return and sustainable reintegration; and

– faster green transition, energy efficiency and enhanced adaptation to climate change.

Within this framework, the implementing government agencies are given responsibility for their operationalisation of the Strategy with the aim of pinpointing which objectives to prioritise for each country, and for developing methods for monitoring and measuring the objectives by

formulating indicators and/or interim objectives. In the operationalisation and implementation of the Strategy, these government agencies will coordinate in order to ensure that their activities complement each other, avoiding duplication and promoting synergies. In the operationalisation and implementation of the Strategy, risks for aid dependency will be identified and combated. All supported activities will be designed to contribute to sustainable results that persist after an initiative ends. Support will be designed to help countries take long-term responsibility for their own development and their people's prosperity.

How the Strategy is operationalised will be determined in close consultation with the Ministry for Foreign Affairs and reported on in connection with the first consultation during the strategy period.

3. Activities and objective-related analysis

In combination with other forms of financing, well-designed development cooperation can support countries' own efforts to achieve the Sustainable Development Goals of the 2030 Agenda and the Paris Agreement. These objectives can only be achieved through collaboration between the public and private sectors and civil society.

Based on the principles of development effectiveness, Sweden's reform cooperation with Eastern Europe, the Western Balkans and Türkiye will be transparent and effective, and – through clear and realistic requirements – support and strengthen long-term development with widespread ownership by actors in the region.

To strengthen long-term sustainability and effective development cooperation, the effects of climate change and possibilities of contributing to emissions reduction and adaptation measures should be considered. Where relevant, one or more interim objectives related to climate may be included in activities whose main objective is not climate-related.

Implementation will be characterised by transparency and a clear operational logic in which the link between identified needs and the operational direction is clear. In their implementation of activities, Sida, the FBA, the SI and the Consulate-General in Istanbul will particularly consider the following objectives and priorities:

Strengthened democratic development, with increased respect for human rights and freedoms and the rule of law, and gender equality

Democracy, human rights and freedoms, accountability and the rule of law are key prerequisites for countries to establish closer ties with the EU and crucial for freedom, peace and security.

The prospects of supporting democratic development vary greatly between the countries covered by this Strategy. In some of them, progress is being made with regard to democracy and respect for human rights and freedoms,

including gender equality. In other countries, the prospects for civil society, political opposition and media to work freely are deteriorating, civil freedoms are being restricted, and democratic space is shrinking. Major challenges remain in a number of areas, including the implementation of adopted regulatory frameworks in these areas.

Widespread corruption is negatively affecting reform efforts in several of the countries. Corruption undermines trust in society's institutions and their ability to maintain a level playing field for everyone, and it is a major contributing cause of poverty and shortcomings in democratic rights. Deficient institutions weaken resilience to hostile influence operations and create a breeding ground for money laundering, tax evasion and corruption, with illegal financial flows as a result. Addressing these challenges is a key component of efforts to bring these countries closer to the EU. Promoting the rule of law is an important part of the fight against cross-border crime. The Government's national strategy against organised crime (Government Communication 2023/24:67) states that international development cooperation can contribute by improving conditions for fighting crime.

Some activities will include support to institutions and organisations in essential sectors that contribute to reforms in a democratic direction, and to upholding respect for human rights and freedoms, and the rule of law. Others will involve support that can contribute to stronger civil society and the development of democratic multi-party systems. Synergies can be sought with initiatives within the framework of the Strategy for democracy support through Swedish party-affiliated organisations (UD2023/18067). Civil society organisations, pro-democracy movements, independent media and other networks that stand up for human rights and freedoms, and monitor and safeguard democracy and the rule of law, will be strengthened. Support to the countries' reforms for adaptation to the EU regulatory framework on gender equality and equitable treatment, including the Istanbul Convention, will be promoted. Women's and girls' freedom and empowerment, and influence over societal development, including political influence and representation, will be strengthened. All individuals' full enjoyment of sexual and reproductive health and rights (SRHR) will be promoted.

Support to independent actors working to promote democracy and human rights and freedoms in difficult contexts with extensive repression will be prioritised, with particular consideration given to forms of cooperation that protect these actors' security and continued activities. In countries with serious democratic backsliding and severe restriction of space for civil society actors and democratic opposition, cooperation that includes state actors will be avoided within the framework of this Strategy. The government agencies implementing the Strategy and the Ministry for Foreign Affairs will conduct a close dialogue regarding activities in these countries.

Stronger economic development through job creation and trade

The countries covered by the Strategy are at different stages of economic development. Weak economic development and high unemployment in particular lead to brain drain from the region and thus constitute a serious obstacle to development. In several cooperation partner countries, the economy's extensive informal sector constrains development. Poverty is often most prevalent in rural areas and among marginalised groups. Good health and education are prerequisites for people to reach their full potential. Investment in health and education is essential for a society's development and prosperity. Digitalisation is key to economic development, job creation and trade, but at the same time, shortcomings in cybersecurity and insecure digital infrastructure can threaten human rights and freedoms, and economic and democratic interests.

Activities will help develop opportunities for long-term productive employment with decent working conditions and improved prospects of sustainable livelihoods. Economic empowerment and employment of women, young people and marginalised groups is a priority.

Activities will help bring the countries' economies closer to the EU's single market, and they will support adaptation to EU regulatory frameworks. They will also promote enhanced conditions for entrepreneurship, trade and integration into regional and international value chains and markets, including in the EU. Through close interaction with private actors, civil society, the Swedish business sector and other Swedish actors (including Business Sweden and the rest of Team Sweden), activities will create conditions for work, trade and investment so as to better harness synergies between development cooperation, business promotion and trade policy. Activities will strengthen people's and local businesses' capacity so that living conditions improve and the countries' economies can take off on their own. Where appropriate, synergies will also be sought between the activities and other donors of development assistance within Team Europe, other like-minded actors and development banks in order to mobilise capital and resources.

Activities will help reduce the digital gap and accelerate the digital transition, including by promoting the expansion of secure and trusted digital infrastructure and related expertise. Geopolitical interests, and information and cybersecurity, will be taken into account.

Enhanced capacity to manage migration – focusing on counteracting irregular migration – and improved conditions for return and sustainable reintegration

This Strategy will complement the implementation of the Government's Strategy for Sweden's global development cooperation on migration, returns and voluntary repatriation 2024–2028 (UD2024/14340).

Irregular migration has unwanted economic, social and humanitarian consequences for the individual and their countries of origin, transit and destination. Reforms and results within enhanced migration management, and adaptation to EU visa policy, are important components of the countries' EU accession, while efforts to combat the smuggling of migrants and human trafficking must continue.

Development assistance can help prevent and pre-empt irregular migration and enhance the conditions for safe, sustainable and orderly migration, including through support for effective migration and asylum management in partner countries. Functioning return – that is also sustainable over time – is also improved by offering returnees support and opportunities to reintegrate in their countries of origin.

Activities will therefore include efforts to strengthen the countries' capacity to manage migration and asylum, including border control and return to countries of origin. They should also help develop sustainable integration solutions and promote migrants' and refugees' enjoyment of human rights and freedoms in host communities, including through improved access to basic social services.

Faster green transition, energy efficiency and enhanced adaptation to climate change

The region faces major challenges in the area of the environment and climate. These include challenges related to energy, the impact of climate change on the environment and livelihood opportunities, extensive pollution and the lack of sustainable management of natural resources. EU accession places clear requirements on adaptation of national legislation to the EU regulatory framework in the policy areas that regulate use of natural resources. As indicated above, the regions are characterised by various types of security challenges. The regions' major dependence on energy imports also entails vulnerability to Russian influence. Synergies with local pro-democracy and environmental movements may be considered within the framework of the Strategy.

Activities will therefore focus on contributing to environmentally and climate-resilient sustainable development, and sustainable use of natural resources. This includes efforts to accelerate the green transition, with a focus on energy, environment and climate issues. These efforts can also include circular economy. In addition, this encompasses support to the implementation of the Paris Agreement and the Kunming-Montreal Global Biodiversity Framework. Swedish actors – including government agencies, civil society, the business sector and higher education institutions – should be engaged in the activities.

Enhanced capacity to prevent, manage and resolve conflicts, including increased resilience to hybrid threats

As a whole, the region in the Strategy is characterised by geopolitical tensions, security challenges and protracted conflicts of varying intensity. Since Russia launched its full-scale invasion of Ukraine, these challenges have escalated substantially. In particular, attempts at malign information influence and hybrid attacks aimed at creating social, political and economic instability have intensified. Some breakaway regions within the countries and non-democratic actors are supported by Russia with the aim of destabilising the countries and undermining social cohesion.

Traces of the wars of the 1990s and dissolution of Yugoslavia are still present in the countries of the Western Balkans. Unresolved conflicts and ethnic tensions, both in and between the countries, complicate reform efforts. This region's inhabitants are also affected by the lack of human security.

Protracted conflicts are a breeding ground for crime, violent extremism and organised crime, which hampers development and contributes to the smuggling of weapons and drugs, to illegal trade of cultural goods and to various forms of human trafficking.

Hybrid threats, such as disinformation, foreign malign information influence, cyberattacks and economic influence, constitute a growing threat to stability, development and democratic institutions in several of the countries covered by this Strategy. Activities will therefore be adapted to each country's context and local conditions, with a particular focus on resilience to hybrid threats, human security, women's participation in initiatives for prevention of conflict and violence, confidence building measures and contribute to reconciliation and social cohesion. A functioning information society is a key component of these efforts and requires the population to have access to independent journalism and the opportunity to develop their media and information literacy.

These activities will be mutually reinforcing vis-à-vis the activities in the area of *democracy, human rights and freedoms, the rule of law and gender equality*. The implementing government agencies will coordinate their activities to effectively provide their individual expertise.