

Strategy for Sweden's development cooperation with Guatemala 2021–2025



1. Strategic direction

The objective of Sweden's international development cooperation is to create opportunities to improve the lives of people living in poverty and oppression. Sweden's development cooperation is based on the principles of aid and development effectiveness, the 2030 Agenda, the Addis Ababa Action Agenda and the Paris Agreement.

The strategy applies in 2021–2025 and provides the Swedish International Development Cooperation Agency (Sida) with a total of SEK 1.15 billion. The strategy governs the use of funds under appropriation item 7 'Latin America' in the appropriation directions for Sida for each budget year.

Activities will contribute to the following objectives:

Human rights, democracy, the rule of law and gender equality

- Improved conditions for democracy and increased respect for human rights and the rule of law.
- Improved conditions for accountability, increased transparency and reduced corruption.
- Increased gender equality, including reduced gender-based violence and increased access to, and respect for, sexual and reproductive health and rights.

Environment, climate and sustainable use of natural resources

- Reduced climate impact and greater resilience to climate change.
- Improved conditions for sustainable management and use of natural resources, including conservation of ecosystems and biodiversity.

Inclusive economic development

- Improved opportunities for productive employment with decent working conditions and improved conditions for free and fair sustainable trade.
- Strengthened economic empowerment of women.

2. Country context

Guatemala has had steady but slow economic growth in recent years. The country has some of the highest levels of poverty, inequality and malnutrition in Latin America. Poverty is closely linked to exclusion, inadequate human security and a lack of opportunities for political influence and power, particularly among women, indigenous peoples and the rural population. Most people living in poverty lack access to land, productive and formal employment, and basic community services. Illegal structures within the state apparatus entail widespread corruption and impunity, which obstructs accountability as well as participation and transparency in decision-making processes.

Women are subject to structural discrimination and often lack the power to make decisions affecting their own lives, finances and sexual and reproductive health and rights.

Guatemala is experiencing extreme effects of climate change, which entails an increased risk of natural disasters. This exacerbates vulnerable people's situation and negatively impacts food security. The extraction of natural resources has far-reaching consequences for the extensive but declining biodiversity. Demand for natural resources is high, and mining, hydro-electricity plants, deforestation and the use of monocultures that negatively impact the environment are increasing. Access to land is an important but complex issue.

3. Activities

Sida will implement, monitor and report on activities in accordance with the Government's guidelines for Swedish development cooperation and humanitarian aid strategies (UD2017/21053/IU). The guidelines state that activities must be actively directed towards achieving the objectives and that the actual performance must be monitored based on those objectives. The annual strategy report will be comprehensive and include a presentation, analysis and assessment of activities' performance in relation to stated objectives. Information about performance will be used for decision-making, learning and accountability, and for ensuring transparency to the general public. Monitoring will produce reliable and useful information about short- and long-term performance by using both qualitative and quantitative information where possible. Performance monitoring will primarily establish

whether activities have made a difference, how and for whom. Based on the existing conditions, follow-up will determine the extent to which development cooperation has made a difference.

Sweden's development cooperation will contribute to sustainable development based on the 2030 Agenda, the financing for development commitments in the Addis Ababa Action Agenda and the Paris Agreement. The activities' contribution will be particularly relevant to the following sustainable development goals (SDGs) of the 2030 Agenda: no poverty (SDG 1), zero hunger (SDG 2), gender equality (SDG 5), affordable and clean energy (SDG 7), decent work and economic growth (SDG 8), responsible consumption and production (SDG 12), climate action (SDG 13), life on land (SDG 15) and peace, justice and strong institutions (SDG 16). Sida's strategy reports to the Government will refer to how activities contribute to implementation of the 2030 Agenda.

Activities will contribute to strengthening actors that promote democratic governance, respect for human rights and the rule of law. This includes support to improve opportunities for citizens to influence political processes and demand accountability. Activities will also contribute to reducing corruption and impunity, including support to transitional justice with a special focus on victims of abuses from the country's internal armed conflict. The 1996 peace agreement will be used as a framework and reference. Cooperation with state institutions may be strengthened if deemed possible.

Activities will promote increased gender equality and diversity through efforts to fight discrimination and transform gender structures. This includes special initiatives to reduce gender-based violence and increase access to sexual and reproductive health and rights.

Activities will contribute to reduced climate impact and increased resilience to climate change. This will include support for increased capacity for sustainable management and use of natural resources, ecosystems and biodiversity. Activities will include support for sustainable water management and sustainable agriculture to ensure food security. Activities will promote platforms for dialogue and conflict resolution with regard to use of natural resources and land rights. The circular economy will be promoted.

Activities will promote inclusive economic development in Guatemala with improved conditions for productive employment with decent working

conditions, particularly for indigenous peoples, women, young people and people in financially vulnerable situations. This should include support for human rights in the working life. Activities will also focus on promoting improved possibilities for sustainable income generation, including small-scale agriculture, to enhance women's economic empowerment. This will also include legally sound, gender-equal and equitable access to markets for micro-enterprises and small enterprises.

Sweden's development cooperation will be appropriate and effective. Activities within and between areas of the strategy must strive for an integrated approach and seek synergies with other strategies that are relevant to the development context. Sweden will strive for coherent and effective development and assistance coordination in the country, not least by seeking collaborations with relevant actors. Financial solutions that can contribute to stimulating other financial resources should be used.

Sweden's development cooperation will lay the foundation for broader relations between Sweden and Guatemala, and cooperation with the Swedish resource base should be deepened. This may be achieved by creating conditions for engagement through collaboration with the private sector, civil society and other agents of change, state actors and academics. Where relevant, the potential of digital transformation and innovation will be harnessed as a tool for achieving the objectives.