

Annual Report 2014

Swiss International Cooperation



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC

State Secretariat for
Economic Affairs SECO

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HIGHLIGHTS



PROVIDING AID FOR PEOPLE FLEEING WAR AND DISASTER

Since the end of World War Two, there have never been as many people fleeing wars and disasters as today. The protection of such vulnerable populations is a key part of Switzerland's humanitarian engagement. Switzerland also works with its partners on the ground to help affected people overcome poverty and hardship. (p. 8)



HELPING SMALLHOLDER FARMERS SUCCEED

Commercial agriculture plays an important role in the fight against poverty and malnutrition. However, many smallholder farmers have limited access to credit and little market experience. Switzerland continued its commitment to supporting farmers during the International Year of Family Farming. (p. 14)



PRODUCING VALUE THROUGH INNOVATIONS WITH THE PRIVATE SECTOR

Economic growth is a prerequisite for prosperity and development. However, growth alone cannot reduce economic and social inequalities, and often comes at the expense of our environment. Switzerland builds on partnerships with the private sector to promote sustainable development. (p. 26)



CREATING BETTER PROSPECTS THROUGH VOCATIONAL EDUCATION AND YOUTH EMPLOYMENT

Many developing and transition countries are struggling with high youth unemployment. Such is the case in the Western Balkans where many young people are unable to find work that matches their skills. In its efforts to help increase youth employment in this and other regions, Switzerland uses elements of its own vocational education and training system. (p. 32)



RECOGNISING AND HARNESSING THE POTENTIAL OF LABOUR MIGRATION

Migrant workers often contribute substantially to the development of their home and host countries. However, their rights are often inadequately protected. Switzerland therefore supports efforts to ensure safe migration processes and improve the legal and material conditions for migrants. (p. 38)



Global and complex challenges still loom large for development policy. They concern and connect wealthy, emerging and poor countries alike. The post-2015 agenda, which defines the future development and sustainability goals, takes into account the reality of an interdependent world.



Marie-Gabrielle Ineichen-Fleisch

State Secretary, SECO Director

Manuel Sager

Ambassador, SDC Director-General

Dear reader,

As you know, the international community met at the UN Millennium Summit in New York in September 2000 and set itself eight Millennium Development Goals (MDGs) to be achieved by 2015. The main goal was to halve extreme poverty in the world. This makes 2014 and 2015 transition years, which provide us with both a retrospective view of what has been achieved already and a look at the challenges that lie ahead in the fight against poverty and its effects.

Overall, we can note with some satisfaction that considerable progress has been made in many areas of development cooperation in the last two decades. The proportion of people living in extreme poverty was reduced by half, from 43% to 21% between 1990 and 2010. The number of chronically hungry people has fallen worldwide. Infant mortality was also reduced by half, and maternal mortality was reduced by nearly half. Since 1990, a third of humanity has had improved access to water.

The Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (SECO) have played a major role in these achievements through their engagement. In 2014 they continued to tackle poverty and promote sustainable development using a wide range of instruments. It has always been and still is important for us to take into account the needs defined by our partner countries themselves. We have also provided humanitarian aid to the victims of war and natural disasters, and contributed to the social and economic integration of disadvantaged groups, especially women. We have furthermore increased our commitment to vocational education and training to help solve the global youth unemployment crisis, and have made important contributions to solving global challenges such as financial and economic crises, water scarcity, health issues, food security, climate change and migration.

Despite this progress, there are still serious global challenges that need to be addressed. The reduction of infant and maternal mortality is still far from the MDG targets. More than 800 million people are still suffering from chronic hunger. Violent conflicts have continued to escalate in

recent years, and there is still an urgent need for action to address healthcare and climate protection, and to reduce social inequalities. Poverty has finally decreased overall in recent years. However, there are still more than two billion people in low- and middle-income countries who live on less than two US dollars a day. At the same time, poverty reduction has not helped reduce inequality.

The ultimate goal of Swiss development cooperation is to support our partner countries in the creation of not only prosperity but also welfare for all. This can only happen if economic growth benefits all segments of society, and is not pursued at the expense of our natural resources.

In 2014, the international community began work on formulating the Sustainable Development Goals (SDGs) for the post-2015 Sustainable Development Agenda. This agenda, along with the complementary financing for development framework, provide us with a new opportunity to achieving development that is sustainable and supported by a broad consensus. It is important to recognise that the sustainable development challenges we face are universal in nature. Every country must therefore contribute to achieving the global goals, while different national circumstances need to be taken into account. Global risks can only be addressed successfully through a broad partnership of government actors, the private sector and civil society.

Switzerland's longstanding cooperation experience has made it aware of the importance of partnerships for international cooperation. We will continue to develop these proven forms of cooperation in future and will, by sharing these newly gained insights, play an active part in shaping international discussions on the implementation of the post-2015 agenda.

GLOBAL RISKS AND FRAGILE CONTEXTS CALL FOR INTERNATIONAL COOPERATION

Complex cross-border challenges continued to dominate the development policy arena in 2014. Switzerland responds to these challenges with measures that address their multiple interdependencies.

The challenges faced by Switzerland's international cooperation efforts in 2014 have highlighted the fragile state of the development policy context: The gap between rich and poor has continued to grow; economic conditions are unstable; natural resources are becoming scarcer; and pandemics, conflicts and extreme weather events remain unrelenting. At the same time, these challenges have confirmed the importance and accuracy of Switzerland's inclusive, coherency-based approach. The SDC and SECO have worked closely together and with other federal offices in various fields. Their approach has shown how effectively the public sector, civil society and private sector can cooperate. The dispatch being drafted on international cooperation in 2017–2020 should consider these efforts and promote the coherency of Switzerland's foreign and economic policy in the field of international cooperation.

A year of multidimensional crises

2014 was rocked by an accumulation of crises and volatility in international affairs, which were compounded by geopolitical interests and the absence of effective government or civil society systems to respond with appropriate measures. In addition to the four large-scale humanitarian disasters in Syria, Iraq, South Sudan and the Central African Republic, the Ebola epidemic also left its mark on this year of crises. These humanitarian emergencies require an immediate response, but they also have long-term consequences for the affected populations and are particularly harsh for the poorest people.

Switzerland's long-term commitment in meeting these challenges also requires effectively coordinating and implementing humanitarian aid, and measures to build and develop peace. This includes not only a contribution to state-building, good governance and strengthening civil society, but also to sustainable economic growth and development-friendly, environmentally sound and socially sustainable globalisation.

The changing global poverty map

While the various crises exacerbate the conditions for the poorest people, the geography of poverty continues to change. Today, around one third of the world's poorest people, approximately 350 million, live in fragile, conflict-riddled countries. Switzerland pays particular attention to these countries. Engagement in fragile contexts requires commitment to innovation, comprehensive risk management, patience and perseverance, which are precisely the strengths and attributes of Swiss international cooperation. It takes time to develop and establish state structures, for example, and it requires public trust.

More stakeholders mean more complexity

Although extreme poverty was reduced by half worldwide between 1990 and 2010, not everyone has benefited equally from growth. This is why there are still significant differences between countries, regions and social groups. The changes in global poverty differ widely across the SDC and SECO's partner countries. Engagement in emerging economies continues to be important today because it offers the opportunity to eradicate chronic poverty and inequality, protect global public goods and sustain development gains. Economic cooperation in these environments is crucial and requires a prudent approach.

Emerging countries, many of which are setting up their own development agencies, are themselves increasingly playing an important role as donors. These emerging donors bring many positive aspects to the field of international development cooperation, not least due to their long-standing experience with south-south cooperation, their own transformation and cultural proximity to countries in their region. At the same time, it is important to recognise that the self-interest of many donors can also present challenges. The large number of stakeholders has made development policy and the humanitarian environment multipolar and heterogeneous. In light of the

growing diversity of stakeholders, Switzerland works closely with partners from the private sector and civil society.

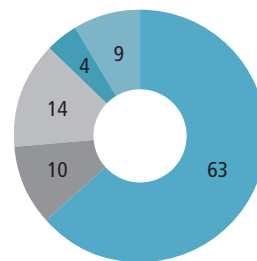
A focus on global risks

Global issues continue to feature prominently on the international cooperation agenda. International financial and economic crises as well as challenges in the areas of climate change, water, food security, migration and health not only have an impact on the development of poor countries, but they also have potentially far-reaching global implications. Global challenges transcend national borders, affect countries to different degrees and limit the ability of individual states to act alone. This is why global risks require international cooperation, long-term thinking and innovative approaches.

Shaping a sustainable development agenda

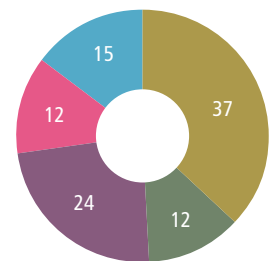
In 2014, the focus was also on the Agenda for Sustainable Development, also known as the post-2015 agenda. The agenda supersedes the Millennium Development Goals (MDGs), with the principles of universality and shared responsibility at its core. This means that all countries of the world must contribute to achieving sustainable development. The post-2015 agenda incorporates the three dimensions of economic growth, social equality and environmental sustainability into one approach. It seeks to diversify existing practices by taking into account the broader global context and involve all relevant stakeholders.

SWISS OFFICIAL DEVELOPMENT ASSISTANCE (ODA) 2014 (IN %)



- SDC
- SECO
- Asylum seekers (FOM)
- Peace and security (HSD/DDPS)
- Other

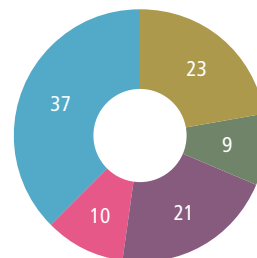
SDC BILATERAL GEOGRAPHICAL BREAKDOWN 2014¹ (IN %)



- Sub-Saharan Africa
- North Africa and the Middle East
- Asia
- Latin America
- Eastern Europe and the CIS

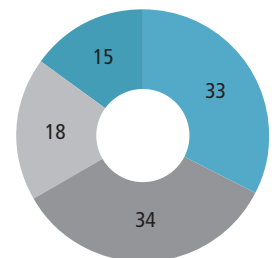
¹ Excl. geographically unclassified contributions and contributions to EU enlargement.

SECO BILATERAL GEOGRAPHICAL BREAKDOWN 2014¹ (IN %)



- Sub-Saharan Africa
- North Africa and the Middle East
- Asia
- Latin America
- Eastern Europe and the CIS

SWISS MULTILATERAL ODA 2014 (IN %)



- United Nations organisations
- International Development Association (IDA)
- International Financial Institutions (excl. IDA)
- Other international organisations

¹ Excl. geographically unclassified contributions and contributions to EU enlargement.

CRISIS PREVENTION AND EMERGENCY AID



A young mother from Syria in the Domiz refugee camp in Iraq holds her sleeping child. The Syrian civil war has been going on for more than four years, and has left around 15.5 million people in the region dependent on emergency aid. While many of these people are on the move, countries neighbouring Syria have already received more than 3.3 million refugees, nearly 40% of whom are children under twelve years old.

PROVIDING AID FOR PEOPLE FLEEING WAR AND DISASTER

Since the end of World War Two, there have never been as many people fleeing wars and disasters as today. The protection of such vulnerable populations is a key part of Switzerland's humanitarian engagement. Switzerland also works with its partners on the ground to help affected people overcome poverty and hardship.

From Asia to Africa – in many parts of the world, people are fleeing crises, armed conflicts and natural disasters. 2014 sets a sad new record in terms of the number of people living as refugees: according to the United Nations, around 57 million people were displaced or forced to flee their homelands. This figure is higher than at any time since World War Two.

In 2014, the international community was confronted with an increasing number of humanitarian crises, notably in Syria, South Sudan, the Central African Republic and Iraq, which had become theatres of violence against civilians. An additional 6 million people were forced to flee their homes in search of safety last year and face a very uncertain future. There are currently around 18 million refugees worldwide no longer living in their homelands. The number of internally displaced persons, at 39 million, is many times higher.

Theatres of displacement

The main reason for the growing wave of refugees is the ongoing crisis in Syria, which has created unprecedented humanitarian challenges in the region. More than 11 million Syrians have fled, including nearly 8 million internally displaced persons. These people often have neither the strength nor the opportunity to travel far. They are too busy trying to survive from one day to the next, seeking refuge in their own or in neighbouring countries. This is why Jordan, Egypt, Lebanon and Turkey have been receiving most of the Syrian refugees.

The number of refugees in Lebanon has reached nearly 1.2 million. Today one in four people in the country is a Syrian refugee. Chadia el Khoder is one of them. She fled with her five sons from Syria to Lebanon two and a half years ago. "I was pregnant and my husband sent me and the children away. He wanted to sell our belongings and then join us," says the 31-year-old woman from Homs. Her husband, however, never made it across the border; he was killed in a bomb attack on a mosque. Chadia has been staying with one of the many Lebanese host families.

Increasing humanitarian needs

Despite the headlines from the Middle East, the largest refugee camps in the world are still in the Horn of Africa. Somali refugees have lived in cramped conditions and have been exposed to heat and arid conditions in the Dadaab refugee camp in northern Kenya since the beginning of the 1990s. The number of refugees currently living in the Dadaab camp still amounts to around 340,000 people.

Around 86% of displaced persons worldwide live in a developing country. These countries often lack sufficient resources and capacities and quickly reach their limits when receiving refugees. They depend on the help and support of the international community to avoid being pulled into a spiral of fragility and violence. The rising humanitarian needs are also reflected in the aid appeals made by the UN and the International Committee of the Red Cross (ICRC), which rely on more and more funding.



Men stack sacks of lentils at the Jamam refugee camp in South Sudan. Since it gained independence in July 2011, South Sudan has been a priority country where the SDC is particularly active in the areas of food and livelihood security, access to basic services and human security.

Swiss engagement in the field

Switzerland recognises its responsibility to help people in need. In 2014, Switzerland carried out projects with the Swiss Humanitarian Aid Unit (SHA) and supported the humanitarian organisations of the United Nations by sending 80 SHA experts to the field. One of these experts is Andrea Cippà from the Ticino. He helped the UN Refugee Agency UNHCR in Gambella in western Ethiopia to plan camps for Southern Sudanese refugees.

“I used a refugee influx simulation programme to show government agencies that some of the locations for the camps were exposed to flooding, and to persuade the persons in charge to set up the camps in a more favourable location,” explains Cippà. To ensure the sustainability of his work, he trained local staff on how to use the programme. Planning also involved making sure the refugee camps were safe and factoring in space to give people some privacy, especially women for their hygiene needs.

“Most displaced persons live in a developing country. These countries quickly reach their limits in receiving refugees, and rely on help from the international community.”

Switzerland also lent financial support to humanitarian partner organisations and delivered relief supplies. At the request of the UNHCR, Switzerland sent winterised tents, stoves, blankets, sleeping mats and kitchen sets for 1,300 displaced families in Kurdish northern Iraq.

Strengthening resilience

In addition to humanitarian emergency aid, Switzerland also works with its partners to implement projects, which aim to strengthen the affected states and communities. These projects focus on building and supporting local state capacity to help displaced persons return to a normal life. For instance, Switzerland

worked with a Swiss non-governmental organisation in the Kakuma refugee camp in northern Kenya to implement a project providing trade skills training to young people.

Thanks to the local Swiss representations and the SHA experts, Switzerland can rely on sound knowledge about local events and needs to tailor humanitarian aid accordingly, and to take swift and appropriate action. This is what ultimately gives Switzerland high credibility within the international humanitarian system. Switzerland uses this credibility to rise to the huge challenges by working at the international level to deliver coordinated and effective aid to people in need.

Tackling the causes of conflict and promoting peace

Switzerland also promotes long-term peace-building and state-building in fragile contexts. The core elements of its engagement are policy and conflict advice, the personal safety of local people, access to justice, job creation and government services. Switzerland uses these core elements to help affected countries overcome fragility and prevent humanitarian crises from becoming entrenched.

One example of this approach is shown in the Great Lakes region in Africa, where more than half of the 850 land conflicts were resolved peacefully with the help of a commission system supported by the SDC. Also in North Africa, Switzerland helped ensure fair and inclusive elections to build trust in state structures. Switzerland is also actively involved at the multilateral level. As an example, Switzerland's contribution to the World Bank Global Programme on Forced Displacement in Lebanon and in Jordan led to the initiation of new projects, which aim to strengthen the crisis management capacity of these countries.

“Switzerland helps people in need. It provides financial support to humanitarian organisations, delivers relief supplies and implements projects to strengthen the affected states and communities.”

In the long term, the aim of these efforts is to counter the causes of conflict early on, since they are often the source of humanitarian crises, and to help countries with fragile contexts bring about lasting peace.

CRISIS PREVENTION AND EMERGENCY AID

- Humanitarian aid
- Work in fragile contexts
- Resilience to crises
- Respect for human rights

Switzerland provides assistance to help population groups affected by armed conflict, crises and natural disasters. This includes preventing and reducing the risks associated with natural disasters, reducing the causes of conflict, preventing violent conflict, providing humanitarian aid in emergency situations, conflict management, statebuilding and reconstruction as well as reform of the security sector and promoting greater respect for human rights.

Support is mainly short term; emergency aid is provided for as long as it is needed. Priorities are set for longer term humanitarian commitments (reconstruction) and for development measures (employment, social services, statebuilding), which primarily aim to strengthen government structures and facilitate a transition to sustainable development at the local level.

WATER SUPPLY FOR SYRIAN REFUGEES IN LEBANON

Thierry Broglie is a member of the Swiss Humanitarian Aid Unit (SHA). He worked with the UN for half a year in 2014 to improve the local water supply for Syrian refugees in Lebanon.

What was your experience of the crisis in Syria?

Life in the Lebanese capital Beirut seemed to go on as usual. In the Bekaa plains in eastern Lebanon, however, the situation is quite different. The refugees, who managed to flee the civil war in Syria and cross the border, now live there under extremely difficult conditions. The water supply, in

particular, which has always been a problem in the region, is now in a disastrous state.

Do the local water systems need to be upgraded?

There is an urgent need to improve the water systems, and not only for the Syrian refugees, but also for the local communities. Our project made a substantial contribution to

solving the water problem in the region, equally benefiting both the local population and the Syrian refugees.

What do you think about seconding SHA members to UN organisations?

I think it's great that the UN can benefit from our expertise. As secondees, we maintain somewhat more of a critical

distance from the project than our UN colleagues, which is an advantage. I am also sold on the combination of training and secondment. I made my expert knowledge available to the UN Refugee Agency UNHCR and, at the same time, I received training from a UNHCR coach. It's called "learning by doing" and it suits me.



SWISS ENGAGEMENT IN FRAGILE CONTEXTS: A STATUS REPORT FROM MALI

Mali has been a priority country for Swiss development cooperation for almost 40 years. Following the recent crisis in the country, Switzerland adjusted its support for the population of Timbuktu, Youwarou and Niafunké and launched a transition programme between humanitarian emergency aid and long-term development cooperation.



Despite the tense security situation, Switzerland continued its engagement in northern Mali in 2014. Switzerland was one of the few countries to remain present in Mali to pursue its international cooperation efforts and respond to the immediate needs of the population. By maintaining a presence in the country, Switzer-

land was able to bolster the work of the local authorities, associations and the private sector.

Switzerland helped rebuild Mali's decentralised government services with its programme for stimulating socio-economic development (ARSEN). State infrastructure

and around 20 schools were repaired and a community radio put back on the air. The communities now have water facilities and a livestock market. The development of 70 small-scale economic projects created a livelihood for more than 2,000 women and men, including a number of displaced persons.

Given the institutional problems, Switzerland based its development cooperation on local bodies and NGO planning offices to ensure the effective implementation of the ARSEN projects. The projects were implemented in close cooperation with the local authorities. This approach has made it possible to manage the programme on site and to implement the projects rapidly.

SELECTED RESULTS 2014



GLOBAL

■ At the end of 2014, the SDC's financial commitment to fragile countries and regions accounted for 44% of its bilateral development aid budget (2013: 40%). Two additional countries were added to the initial list of eleven priority countries, namely Mali and Honduras. Humanitarian aid continued to be provided in 13 priority countries and zones of engagement, including the areas affected by the crises in Syria, Iraq, Central Africa and Southern Sudan.

NORTH AFRICA AND THE MIDDLE EAST

■ In an effort to mitigate the humanitarian impact of the Syrian crisis, the SDC has allocated CHF 128 million since the crisis broke out. It has responded to the humanitarian needs of the people affected by the war in Syria and those displaced to neighbouring countries. By refurbishing 43 schools in Jordan and northern Lebanon, the SDC has helped more than 28,400 refugee and local children gain access to basic education.

ASIA

■ Water and sanitation are often key challenges when implementing reconstruction measures for humanitarian aid efforts. In 2014, through the efforts of the SDC in South Asia, over 30,000 people gained improved access to drinking water.

SUB-SAHARAN AFRICA

■ During the Ebola crisis, Swiss Humanitarian Aid provided significant support to several humanitarian organisations and to the UN to help improve patient care, prevention measures, food security, and the protection of families and children affected by the virus. Thanks to the efforts of the international community, the number of new cases has declined drastically and new outbreaks are now more efficiently contained.

LATIN AMERICA

■ The SDC has used its knowledge and innovations in the area of disaster risk reduction to support municipalities in Nicaragua and in Honduras in risk-proofing areas that are prone to natural hazards. The SDC's engagement has helped these municipalities strengthen the resilience of their local populations.

PROVIDING ACCESS TO RESOURCES AND SERVICES



Women participate in an SDC agriculture and food security project in Burkina Faso. Women carry out around 50% of the farm work in Africa and Asia, but have a lower income because they have less access to the means of production. The SDC is committed to helping women achieve their full potential. This could reduce hunger by up to 17% in developing countries.

HELPING SMALLHOLDER FARMERS SUCCEED

Commercial agriculture plays an important role in the fight against poverty and malnutrition. However, many smallholder farmers have limited access to credit and little market experience. Switzerland continued its commitment to supporting farmers during the International Year of Family Farming.

Despite the significant growth and economic openness in recent years, the Lao People's Democratic Republic remains essentially an agricultural country. Paradoxically, however, by regional standards there is a particularly large number of cases of malnutrition: 31% of children under five suffer from malnutrition and 48% have stunted growth. These circumstances are all the more alarming since a third of infant mortality is caused by malnutrition. Laos has lagged furthest behind in meeting the Millennium Development Goal to Reduce Child Mortality.

Family farms therefore have a crucial role in Laos. They currently account for 80% of the jobs in the country. Traditionally, Lao farmers have grown only rice in a bid to meet the calorie needs of the country. The country's vast forests and many rivers have always provided the rural population with an excellent source of food, including vegetables, fruit, insects, frogs, game, fish and other natural products.

However, large-scale deforestation is degrading the local environment, and it threatens to destabilise the traditional balance. This hinges on the fact that the government in Laos has awarded an increasing number of land concessions to foreign investors for commercial agriculture, the construction of dams and mining projects. These concessions have driven many farmers off their land and have deprived them of access to the natural resources, which are essential for their balanced diet.

Opportunities and risks of commercial agriculture

The Lao government is currently making great efforts to promote the transition from subsistence farming to commercial agriculture which participates in regional trade. Within this context, the primarily foreign investors conclude contracts with the smallholder farmers for the cultivation of crops such as sugar, maize, cassava, coffee and tea. Despite rising production, however, smallholder farmers have only low or irregular income. They often lack access to credit, which would allow them to purchase better equipment and take on new initiatives. They are not sufficiently informed about market prices and using pesticides. Although the new economic environment offers them opportunities, they remain vulnerable and often live below the poverty line.

Focus on family farming

The SDC has been involved for a long time with increasing rice production in southern Laos, and has achieved excellent results. It has placed the support of smallholder farmers and family farming at the heart of its strategy to promote rural development and the sustainable use of the country's natural resources. Switzerland cooperates closely with the Lao Ministry of Agriculture and Forestry to help increase production and improve market access for smallholder farmers in mountain regions. The SDC focuses particularly on poor and vulnerable populations, such as



ethnic minorities. It also actively promotes value chains primarily involving women who play a key role in family farming.

“Land concessions for commercial agriculture have driven many farmers off their land and deprived them of access to the natural resources they depend on for food.”

Empowerment through better organisation, advisory services and planning

The aim of Switzerland’s engagement in the field is to support smallholder farmers through farmers’ organisations and agricultural advisory services; to improve land planning, and water resources and land management; and to promote biodiversity in agriculture. To this end, the SDC worked closely with the Lao ministry to support the creation of the first national platform of farmers’ organisations – the Lao Farmer Network – in January 2014.

The initiative was supported by the Medium Term Cooperation Programme with Farmers’ Organisations in Asia and the Pacific, which is supported by the SDC Global Programme on Food Security

(GPFs) and the United Nations International Fund for Agricultural Development (IFAD). Switzerland has also had an influence on the national agricultural strategies through its political dialogue with the Lao government by emphasising the need to empower smallholder farmers. Dialogue with other donor countries in Laos and at the international level ultimately plays a crucial role in this effort.

Better prospects for Lao farmers

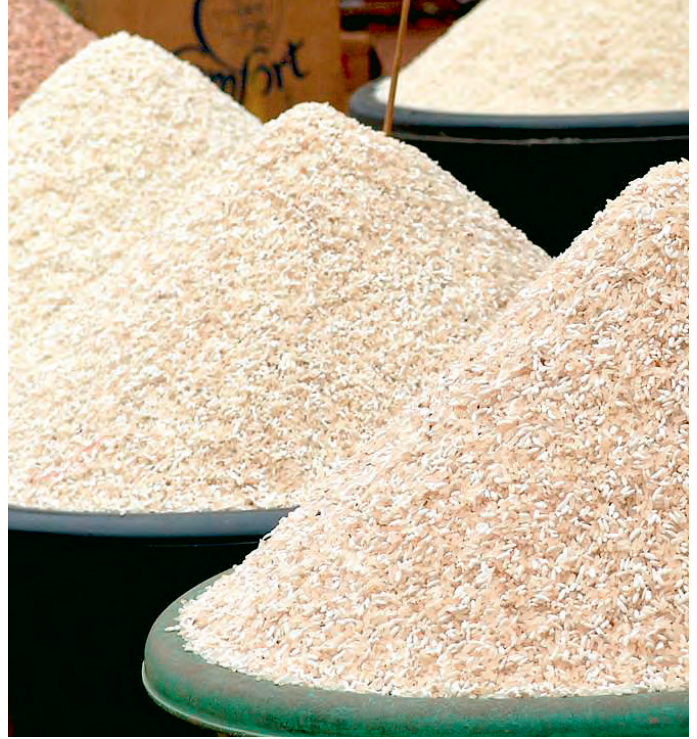
Through Swiss aid and support of its partners, the capacities and income of farming families in the Lao highlands have significantly improved in the last thirteen years. Between 2007 and 2014, approximately 40,000 farming families were included in the direct target group of the SDC projects. During this period, the income of some families increased notably: from USD 500 to 650

“Smallholder farmers often lack access to credit, which would allow them to purchase better equipment and take new initiatives. They therefore remain vulnerable and often live below the poverty line.”

per year for rice producers (30%), and from USD 230 to 930 per year for coffee producers (300%). These improvements also benefit many women who account for around half of the producers. Increased income for women has led to demonstrable improvements in nutrition at home.

“Switzerland has placed the support of smallholder farmers and family farming at the heart of its commitment with the aim of promoting rural development and the sustainable use of natural resources.”

Improvements in animal husbandry also helped farmers increase their income, since there is a strong demand on domestic and foreign markets for meat even from remote villages. This has helped to mitigate the consequences of environmental destruction, boost food security and stabilise nutrition indicators in areas where Switzerland is active in development cooperation.



PROVIDING ACCESS TO RESOURCES AND SERVICES

- Health
- Sustainable water use and sanitation
- Basic education and vocational training
- Sustainable use of land

The primary aim of improving access to resources and services is long-term poverty reduction. “Resources” refers to the availability of shelter, sufficient food, clean water and job opportunities. “Services” refers to a country’s education and health systems.

Long-term cooperation is required in order to tackle poverty effectively. In the interests of effective and cost-efficient cooperation, Switzerland sets geographical priorities, and concentrates on selected priority countries and regions.

EDUCATION FOR AFGHAN CHILDREN

Afghanistan has made significant progress in the field of education in recent years. However, girls and boys still have unequal access to education.

In 2001, less than one million children went to school in Afghanistan. Today there are over nine million children of primary-school age in school, with 64% boys and 48% girls. Progress in education is one of the greatest achievements of international cooperation in the reconstruction of Afghanistan.

However, much work remains to be done – in particular, there is still a widespread lack of education for women and in rural areas. The enrol-

ment rate for girls is still around one fourth lower than for boys. Marianne Huber, head of the Swiss cooperation office in Kabul says: “The targeted training of female teachers is crucial in improving girls’ access to education, especially for students aged 10 and older. We know, for example, that parents in our project region in the north of the country take their daughters out of school if, after having reached a certain age, they are no longer taught by female teachers.”

Since the beginning of 2012, Switzerland has supported a project implemented by the «Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)», which has helped increase the enrolment rates of girls in northern Afghanistan. The project specifically promotes female teachers and encourages more female students having completed their compulsory schooling to train to become teachers. Parents of schoolchildren participate in school development

plans at Shuras (parents’ associations) where they also gain awareness of the importance of education for girls and boys. This participation strengthens the public’s confidence in the local authorities and thereby contributes to state-building in a fragile context.



BANKING ON STRONG HEALTHCARE SYSTEMS IN THE FIGHT AGAINST EBOLA

Ever since the devastating Ebola epidemic hit West Africa, it has become clear that a strong healthcare system is crucial in the fight against the virus. Switzerland is working in Liberia to strengthen the healthcare system.



The Ebola outbreak that began in West Africa in 2014 is the worst outbreak of this virus in history. The weak healthcare systems in the West African countries hit by Ebola also contributed to the rapid

spread of the virus. Since local health institutions were quickly overwhelmed by the Ebola outbreak, an increasing number of people also died from otherwise treatable diseases such as malaria and diarrhoea.

The long-term improvement of healthcare systems in fragile and vulnerable countries is one of the priorities of Switzerland’s international cooperation efforts. The prevention of future outbreaks of the Ebola virus hinges on the establishment of strong and

functioning healthcare systems. The Ebola crisis furthermore draws attention to the importance of measures that support peacekeeping and state-building in fragile contexts and that are essential in establishing sustainable healthcare systems.

The humanitarian efforts in the wake of the Ebola crisis also ties in with this strategy. In addition to containing the epidemic and combating the social and economic fallout, strengthening primary healthcare in Liberia is also one of

the three pillars of humanitarian response. In Liberia, Switzerland supports, among others, the national Ministry of Health and Social Welfare and organisations such as the International Committee of the Red Cross (ICRC) in the reconstruction of healthcare structures. It has also launched a pilot project with the University Hospital of Geneva to train pharmacists in the manufacture of disinfectants.

In an effort to combat the epidemic, the SDC has also increased its financial support to a locally active Swiss relief organisation involved in facilitating treatment for Ebola patients. The SDC also supports a consortium commissioned by the WHO in the development of a test for the rapid diagnosis of Ebola in decentralised health centres in the crisis region.

SELECTED RESULTS 2014



GLOBAL

■ Thanks to the SDC's involvement, access to drinking water and irrigation systems and to sanitation is now provided to over 1.5 million people in 16 priority countries and regions. In the field of health, 15 partner countries benefit from SDC support. In the agricultural sector, food security has been improved through technological measures and land reform for over 10 million smallholder farmers and their families in 21 countries and regions.

ASIA

■ In Laos, 32,000 people can benefit directly from improvements to their water supply and adequate sanitation plans. Since 2013, in Myanmar, around 100,000 additional patients have had access to health centres for the treatment of communicable diseases. In Laos, Cambodia and Mongolia, nearly 450,000 farmers have benefited from the SDC's efforts to improve their productivity.

EASTERN EUROPE AND THE CIS

■ SECO support helped finalise a programme with an energy company in Tajikistan by the end of 2014. The programme, which aims to ensure reliable and sustainable access to power, has helped to renovate the power network, install

electricity metres and introduce a new tariff system and subsidies for the poorest.

LATIN AMERICA

■ In Honduras, a drinking water supply system was developed at the national level as part of a sanitation plan, and in Bolivia, more than 27,000 peasant families ensure the sustainable management of water resources. Malnutrition in Bolivian children up to five years of age has decreased by half, from 5% to 2.5%, while at the same time, the revenues of 12,000 farming families increased by 15%.

SUB-SAHARAN AFRICA

■ In Mozambique, the use of sanitation facilities increased by more than 10% in 2014. In Tanzania, nearly 60,000 smallholder farmers (one third of whom women) generated between 13% and 45% more revenue as a result of new production measures. In West Africa, 300,000 smallholder farmers (a third of whom are women) have seen an average 20% increase in crop yields. The SDC's support for basic education has helped train 12,000 teachers (60% women) in Burkina Faso who now contribute to the training of 320,000 students.

RESEARCH AND INNOVATION FOR THE REDUCTION OF POVERTY AND GLOBAL RISKS

Research plays a decisive role in poverty reduction, the transition to sustainable development and the exchange of knowledge. Technological progress is just as relevant as social and political innovations. By sharing their expertise on global networks, scientists at universities, technical colleges and research institutes make a substantial contribution to solving global problems.

R4D – INTERDISCIPLINARY RESEARCH FOR SOLVING GLOBAL PROBLEMS



Together with the Swiss National Science Foundation (SNSF), the SDC launched the Swiss Programme for Research on Global Issues for Development (r4d programme) in 2012. The programme promotes interdisciplinary and cooperative partnerships between researchers in Switzerland and their colleagues in Africa, Asia and Latin America.

The r4d programme is closely modelled on the priorities of the post-2015 agenda. The aim of the programme is to use this cooperation and increased exchange of knowledge to help solve global problems and protect public goods. The r4d programme lasts from 2012 to 2022 and has a budget of around CHF 98 million. The SDC's contribution is CHF 72 million.

The r4d programme sets long-term thematic priorities, which are aligned with key global challenges such as social conflicts, employment in the context of sustainable development, food security, sustainable management of ecosystems and public health.

One of the characteristics of the r4d programme is that development policy relevance and scientific quality are equally weighted. International review panels set up by the SDC and the SNSF evaluate and select submitted projects based on assessments by colleagues working in research and development.

“The r4d programme sets long-term thematic priorities and is characterised by the fact that development policy relevance and scientific quality are equally weighted.”

So far, 25 transnational research partnership projects, involving 35 countries in Africa, Asia and Latin America, have been approved. Most of the research activity is being carried out in, and in cooperation with, development countries in Africa. Key findings from these activities are incorporated into development cooperation strategies.

Six research projects with a duration of six years each began in 2014. They cover a wide range of important issues including the gender dimensions of social conflict, armed violence and peacebuilding, agricultural transformation, and employment in rural areas.

PROMOTING CLIMATE-FRIENDLY FARMING

The Consultative Group on International Agricultural Research (CGIAR) is an international agricultural research partnership for global food security. The CGIAR consists of a consortium that works with 15 international agricultural research centres in over 90 countries and employs more than 10,000 people.

“The SDC lends financial support to the CGIAR to promote greater global investment in strategic research, which is necessary for the implementation of climate-friendly farming.”

The SDC lends financial support to the CGIAR to promote greater global investment in strategic research. There is a need for additional research, for example for the implementation of climate-friendly farming, which not only helps farmers to increase their productivity, but also to be better prepared for climate risks and to contribute to mitigating climate change.

A recent scientific discovery to combat nitrification is exemplary of the CGIAR Consortium’s research activity. Nitrification is a natural microbe-triggered process, whereby nitrogen fertilisers in agricultural soils are transformed into nitrous oxide (N₂O). Nitrous oxide is a greenhouse gas that heats up the atmosphere 300 times as much as the same amount of carbon dioxide. Efforts to reduce nitrification are therefore an important contribution in the fight against climate change. This is all the more urgent

since the use of nitrogen fertilisers has increased sevenfold since the 1970s and is directly related to the increase in the atmospheric concentration of N₂O.

Members of the CGIAR Research Consortium have recently discovered that the roots of the tropical pasture grass *Brachiaria humidicola* have the natural ability to inhibit nitrification. The property of this pasture grass is likely to play a key role in the efforts to improve the quantification of the greenhouse gas balance, based not only on livestock, but also on the cultivation of land.



Furthermore, studies involving thousands of livestock owners in South-East Asia and Central America have shown that the use of new feeds such as *Brachiaria* can also contribute to poverty reduction. In Rwanda studies also found that the nitrification-inhibiting properties of *Brachiaria* and its deep and abundant root systems not only increase soil productivity, but also milk production of cows. The use of *Brachiaria* can help improve food security for millions of people even in the face of difficult growing conditions such as droughts and acidic soils.

ART AND CULTURE: GETTING TO KNOW EACH OTHER AND FINDING A NEW IDENTITY

Art and culture, which serve as a source of identity and inspiration, and provide a forum for reflection and dialogue, are key features of society. They allow society to get to know itself, express itself and to reinvent itself, and yet, there are still huge gaps in the promotion of and access to culture. Switzerland supports countries in the South and East to promote culture.



A MUSEUM ON WHEELS

Building bridges across national borders is not a matter of course in Central Asia, where disputes over water, boundary lines and power supply shape the political landscape. Art and cultural exchange can help this region move forward. By reflecting the diversity of the region, the cultural scene of Central Asia can promote mutual understanding and diffuse stereotypes. Art must, however, be made available to the public to achieve the desired effect – otherwise, what can be the effect of a piece of art that no one can see, or a concert with no audience?

“The Museum on Wheels project gives people access to local and international art, which would otherwise remain hidden behind museum walls.”

In 2014, the SDC’s Regional Art and Culture Programme focused on how to make art available to the general public in Central Asia. An exchange between artists from Tajikistan, Uzbekistan and Kyrgyzstan brought to light the particular success of the Savitsky Museum in Uzbekistan in art education. The museum’s exceptional collection of avant-garde art enjoys international recognition, but is virtually unknown locally.

This is what the Museum on Wheels project seeks to address. Muzaffara Ishanova, who is involved in the project, explains: “If people are unable to come to the museum, we will bring the museum to them!” And sure enough, with the support of the SDC selected pieces of different

origin from the museum’s collection have been regularly packed into a bus and taken to local villages for over ten years. Interactive workshops are organised for children to become acquainted with pictures, arts and crafts, and to sketch pictures of the collection pieces or to create new art based on their interpretation. The project gives the children access to local and international art, which would otherwise remain hidden behind museum walls.

The success of this educational project should serve as a source of inspiration to other culture professionals in Central Asia to build cultural bridges and facilitate public access to art and culture.





A MODERN DAY FAIRY TALE

“My life is now defined by a time before and after the Kourouma Award,” says Mutt-Lon, the young Cameroonian writer who won the Ahmadou Kourouma Award at the SDC-sponsored African pavilion of the Geneva International Book Fair in 2014 for his novel “Ceux qui sortent la nuit” (the people who go out at night). With this book, Mutt-Lon, also known as Daniel Alain Nsegbe, has shown that it is possible to have a career as a writer without having to emigrate.



Mutt-Lon, what inspired you to write “Ceux qui sortent la nuit”?

I wrote a book, a funny and gripping adventure novel, that I would have enjoyed reading myself. I wanted to tell a story about my Africa, an Africa where cultural harmonisation never occurred in society. And I wanted to write about witchcraft, which is a dominant topic in African society. My novel is based on the hypothesis that certain elements of what is referred to as witchcraft can be explained by science and could contribute to science and humanity. My basic question is: Is there any part of our heritage that can help us embrace modern times?

What has changed for you since you won the Ahmadou Kourouma Award?

Everything! Since I am a novelist, hardly anyone knew me. The Kourouma Award has sparked overwhelming interest in my work from readers and the media, other authors and literary agents.

The award has opened doors for me, giving me the opportunity to voice my ideas inside and outside of Cameroon. I am now convinced that it is also possible to thrive as a writer in Africa. Publishing your work in France is the best way to be sure your work is read and appreciated, but the democratisation of the internet eliminates the need to be physically present in Europe.

“The Kourouma Award has sparked overwhelming interest in my work. I am now convinced that it is also possible to thrive as a writer in Africa.”

Is your work read in Cameroon?

Publishing remains the greatest challenge in Africa. I had to fight for a year before my novel was finally published in my country, and only then in Yaoundé and Douala. To help publish African authors displaced in Europe, publishers should share some of their rights with publishers based in Africa who produce versions of books adapted to the local purchasing power. I have commissioned the Editions Clé publishing company based in Cameroon to publish one of my next books.

SDC/SECO PRIORITY COUNTRIES AND REGIONS 2014

SDC Priority countries and regions South		2014 Mil. CHF	2013 Mil. CHF	
Sub-Saharan Africa	Great Lakes ¹	27.3	31.1	1
	Southern Africa ²	24.3	30.5	2
	Tanzania	23.5	22.8	3
	Mozambique	23.3	23.0	4
	Chad	22.7	14.3	5
	Mali	21.5	20.2	6
	Niger	18.1	16.6	7
	Horn of Africa ³	16.9	8.1	8
	Burkina Faso	16.6	21.3	9
	Benin	15.3	15.3	10
North Africa and the Middle East	Occupied Palestinian Territory	14.0	14.0	1
	Northern Africa ⁴	12.5	12.7	2
Latin America	Central America ⁵	37.9	42.3	1
	Bolivia	25.8	24.5	2
	Cuba	9.4	8.2	3
	Haiti	8.9	6.9	4
Asia	Mekong ⁶	59.1	49.8	1
	Nepal	37.4	38.2	2
	Hindu Kush ⁷	37.0	30.9	3
	Bangladesh	26.0	29.5	4
	Mongolia	19.5	18.2	5

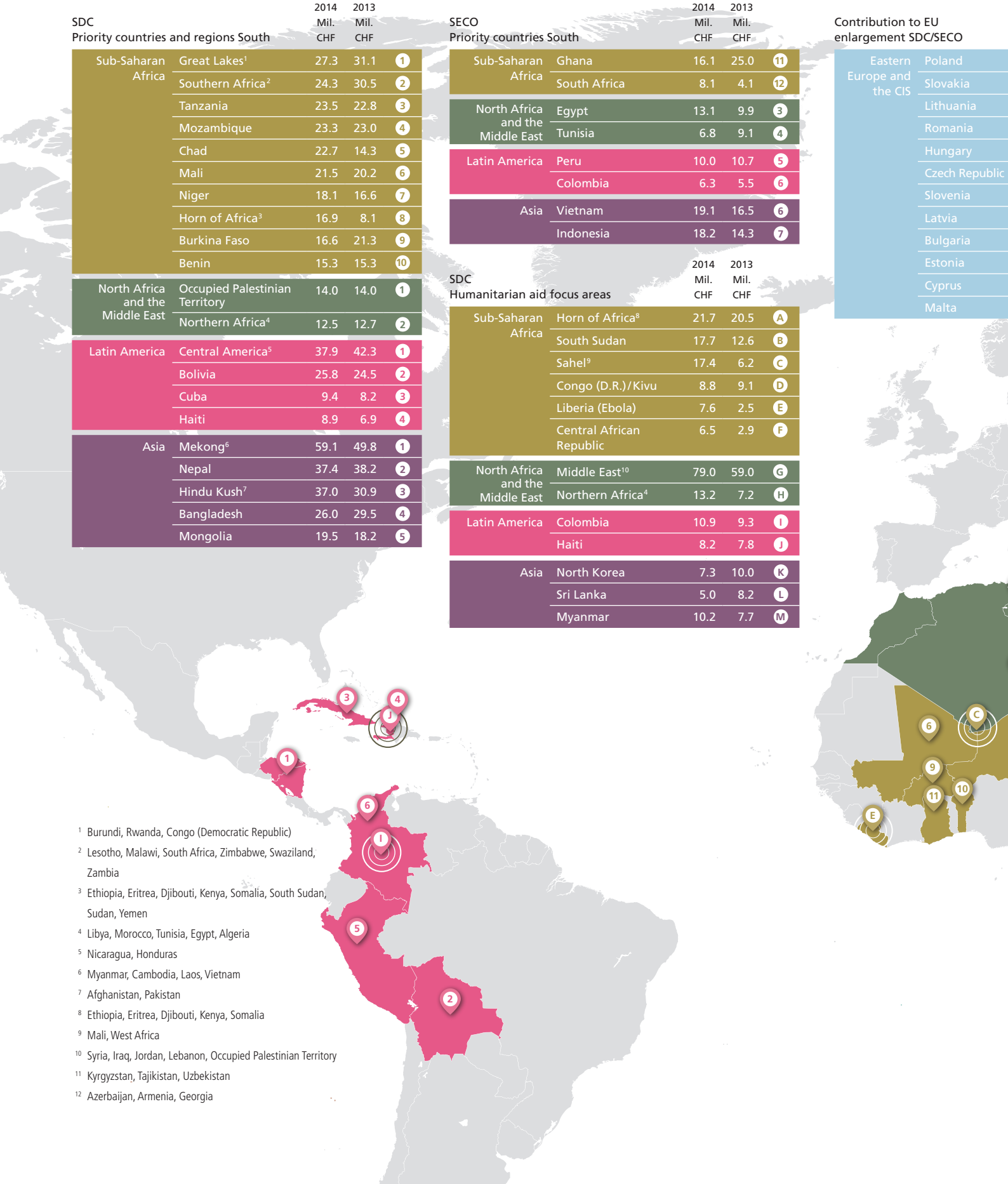
SECO Priority countries South		2014 Mil. CHF	2013 Mil. CHF	
Sub-Saharan Africa	Ghana	16.1	25.0	11
	South Africa	8.1	4.1	12
North Africa and the Middle East	Egypt	13.1	9.9	3
	Tunisia	6.8	9.1	4
Latin America	Peru	10.0	10.7	5
	Colombia	6.3	5.5	6
Asia	Vietnam	19.1	16.5	6
	Indonesia	18.2	14.3	7

SDC Humanitarian aid focus areas		2014 Mil. CHF	2013 Mil. CHF	
Sub-Saharan Africa	Horn of Africa ⁸	21.7	20.5	A
	South Sudan	17.7	12.6	B
	Sahel ⁹	17.4	6.2	C
	Congo (D.R.)/Kivu	8.8	9.1	D
	Liberia (Ebola)	7.6	2.5	E
North Africa and the Middle East	Central African Republic	6.5	2.9	F
	Middle East ¹⁰	79.0	59.0	G
Latin America	Northern Africa ⁴	13.2	7.2	H
	Colombia	10.9	9.3	I
Asia	Haiti	8.2	7.8	J
	North Korea	7.3	10.0	K
	Sri Lanka	5.0	8.2	L
	Myanmar	10.2	7.7	M

Contribution to EU enlargement SDC/SECO

Eastern Europe and the CIS	
Poland	
Slovakia	
Lithuania	
Romania	
Hungary	
Czech Republic	
Slovenia	
Latvia	
Bulgaria	
Estonia	
Cyprus	
Malta	

- ¹ Burundi, Rwanda, Congo (Democratic Republic)
- ² Lesotho, Malawi, South Africa, Zimbabwe, Swaziland, Zambia
- ³ Ethiopia, Eritrea, Djibouti, Kenya, Somalia, South Sudan, Sudan, Yemen
- ⁴ Libya, Morocco, Tunisia, Egypt, Algeria
- ⁵ Nicaragua, Honduras
- ⁶ Myanmar, Cambodia, Laos, Vietnam
- ⁷ Afghanistan, Pakistan
- ⁸ Ethiopia, Eritrea, Djibouti, Kenya, Somalia
- ⁹ Mali, West Africa
- ¹⁰ Syria, Iraq, Jordan, Lebanon, Occupied Palestinian Territory
- ¹¹ Kyrgyzstan, Tajikistan, Uzbekistan
- ¹² Azerbaijan, Armenia, Georgia



2014
Mil.
CHF

2013
Mil.
CHF

79.1	59.4	1
16.6	3.5	2
14.4	4.1	3
14.3	19.5	4
12.9	6.0	5
11.1	7.8	6
8.1	4.6	7
5.8	5.0	8
5.1	8.0	9
4.7	9.0	10
0.2	0.1	11
0.1	2.8	12

SDC
Priority countries and regions East

2014
Mil.
CHF

2013
Mil.
CHF

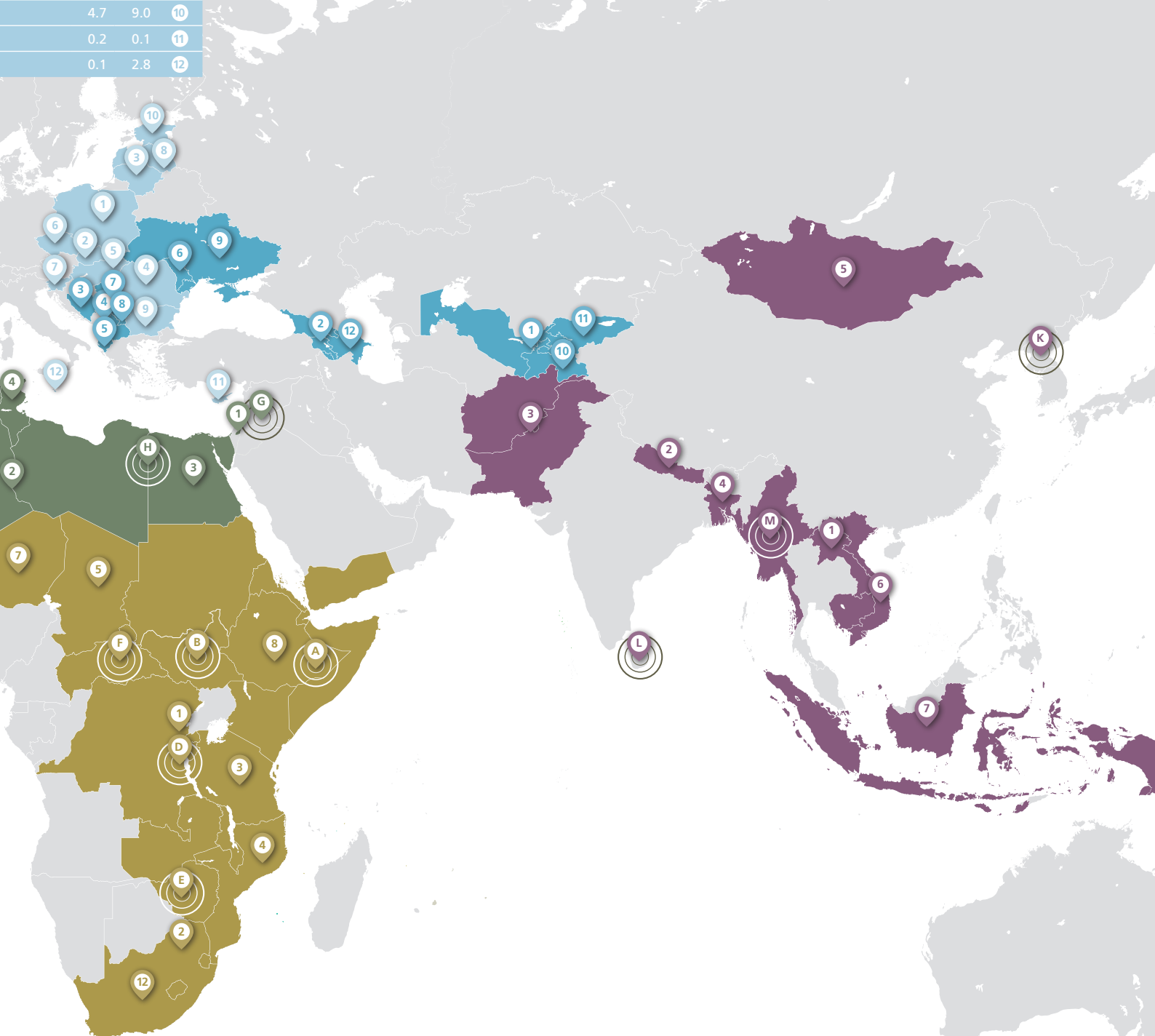
Eastern Europe and the CIS	Central Asia ¹¹	32.3	27.8	1
	South Caucasus ¹²	13.7	10.2	2
	Bosnia and Herzegovina	12.9	10.5	3
	Kosovo	12.7	12.2	4
	Albania	11.8	9.3	5
	Moldova	10.8	9.0	6
	Serbia	10.3	9.2	7
	Macedonia	9.3	8.2	8
	Ukraine	6.7	5.9	9

SECO
Priority countries East

2014
Mil.
CHF

2013
Mil.
CHF

Eastern Europe and the CIS	Tajikistan	18.4	14.7	10
	Kyrgyzstan	14.4	11.8	11
	Albania	12.3	16.2	5
	Ukraine	11.6	9.7	9
	Kosovo	8.7	7.1	4
	Macedonia	5.1	2.8	8
	Bosnia and Herzegovina	4.6	3.0	3
	Serbia	4.5	6.0	7
	Azerbaijan	2.3	4.4	12



SUSTAINABLE ECONOMIC GROWTH



Solar modules are assembled in a factory in the Indian city of Jaipur in the state of Rajasthan. The modules are both exported to other countries and used within India, where they have helped to harness solar energy and have supplied electricity to remote villages for the first time.

PRODUCING VALUE THROUGH INNOVATIONS WITH THE PRIVATE SECTOR

Economic growth is a prerequisite for prosperity and development. However, growth alone cannot reduce economic and social inequalities, and often comes at the expense of our environment. Switzerland builds on partnerships with the private sector to promote sustainable development.

Many developing and emerging countries still boast impressive economic growth rates of five percent or more a year. But large numbers of people are not benefiting from the economic upsurge. In many societies, the gap between rich and poor remains unchanged and even continues to grow. In addition, the unbridled exploitation of natural resources and mounting environmental problems are showing all too clearly that in many places economic development is not sustainable in the long term.

At the same time, there has been a decrease in the amount of official development assistance in relative terms compared to other, primarily private financial flows. New forms of cooperation between public development agencies and other stakeholders, including the private sector, are therefore becoming increasingly important in the fight against poverty. They can help resolve trade-offs between economic, environmental and social issues and put development on a more sustainable footing.

Switzerland's partner countries are facing serious global risks such as climate change, financial crises and uncontrolled urbanisation. SECO is therefore focusing on innovative forms of cooperation with the private sector, such as insurance models, the mobilisation of commercial capital and the integration of developing countries into the world market. The mutual exchange of knowledge, shared investment costs and the transfer of entrepreneurial skills add particular value to these partnerships.

Disaster risk insurance for resilient states and citizens

Natural disasters cost human lives, place a heavy burden on the public finances of developing and transition countries and hinder long-term budget planning. Since 2009, SECO has supported a World Bank project in South-Eastern Europe and the Caucasus with the aim of introducing a disaster risk insurance scheme against damage caused by heat, drought, earthquakes and floods. Local insurance companies sell products developed with support from Switzerland, while a Swiss reinsurer provides reinsurance capacity on a commercial basis. The beneficiaries of the project are primarily households, small businesses and farms.

In the South Caucasus, the SDC also supports the Georgian government and local insurance companies in developing agricultural insurance. This sector employs more than half of the country's working population, many of whom are smallholder farmers. Widespread land fragmentation is one of the reasons for the lack of a market for affordable agricultural insurance. This is why most farmers are not protected against damage from storms and natural disasters. A national insurance scheme backed up by international reinsurers aims to reduce the high administrative costs. This also provides small farms with the opportunity to insure crops and livestock at reasonable prices.

Swiss expertise in sustainable investment and commodities

Well-functioning local financial markets and market systems as well as competitive entrepreneurship increase the attractiveness of partner countries as a location for business. This helps attract investments, which in turn provide a route out of poverty. For this purpose, SECO supported the establishment of a new platform for sustainable investment in 2014. The platform is an association of Swiss financial service providers, which aims to increase the share of sustainable financial products on the market. The association also includes the scientific community, civil society institutions and the public sector.

The SDC and the Swiss private sector launched the Swiss Capacity Building Facility, which promotes access to financial services for no less than 1,450,000 poor households, small farms and small businesses. Financial intermediaries provide targeted advice to women and rural areas in particular. This led, for example, to the provision of suitable savings products to hundreds of

thousands of poor households in Latin America in 2013, and the successful introduction of agricultural products for smallholder farmers through a microfinance institution in Haiti in 2014.

“The mutual exchange of knowledge, shared investment costs and the transfer of entrepreneurial skills add particular value to partnerships with the private sector.”

Developing countries can also benefit if they are able to export sustainably produced goods, since international trade provides them with an important source of income, creates jobs and consequently contributes significantly to poverty reduction. SECO formed a partnership with a locally established organisation with the aim of developing a responsible market for gold produced by small and medium-sized artisanal mining operations. The organisation is made up of representatives from refineries, jewellery and watch



A woman and her daughter sell their locally produced cheese at the central market of Zugdidi, Georgia.

manufacturers and the financial sector. Since the project began, 350 kg of “better gold” have been imported to Switzerland, generating additional profits of CHF 200,000 for small-scale miners.

Infrastructure at affordable prices

Matching much-needed infrastructure projects and potential investors is the aim of an innovative multi-donor organisation that was established with the support of SECO in 2002. The organisation, which is a uniquely structured public-private partnership, uses public funds from like-minded donor countries selectively to mobilise private sector investment for infrastructure projects. In 2014, for example, financing was provided by development finance institutions for a power plant in Ghana, amounting to USD 217 million and generating nearly USD 686 million in private investment. Consequently, 76% of the project was financed by private capital. The power plant is scheduled to be connected to the grid in two years and to improve access to electricity for 8.3 million people.

Added value for the future

Private partnerships bring qualitative added value to Switzerland, for example by promoting innovation, creating bottom-up solutions and contributing to the transfer of technology. Improving the competitiveness of local businesses in partner

countries ultimately facilitates the systemic transformation of the market. Switzerland will therefore continue to develop existing and new partnerships in a bid to improve the effectiveness and the reach of its programmes. Switzerland also exchanges information with development banks and other financial institutions about the advantages of this approach. Switzerland has long-standing experience in building partnerships, in particular with the private sector. The key to success involves considering partnerships not as an end, but as a means to achieve development goals.

“Private partnerships bring qualitative added value to Switzerland by promoting innovation, creating bottom-up solutions and contributing to the transfer of technology.”

SUSTAINABLE ECONOMIC GROWTH

- Financial stability and good governance
- Sustainable growth in trade
- Development of the private sector and financial services
- Infrastructure and urban development

Sustained economic growth is essential for reducing poverty and inequality. The private sector is the main driver of economic growth. Integration in the global market gives developing countries access to sales markets and sources of investment.

Switzerland promotes sustainable and broad-based economic growth in its partner countries. It focuses on the financial management of public funds, framework conditions for private investments, the stability of the financial sector, public services funding, infrastructure, use of resources, trade liberalisation and the labour market.

RESPONDING TO THE CHALLENGES OF URBANISATION

Meeting the needs of a growing urban population for basic services is also becoming increasingly important in emerging and developing countries. That is why Switzerland supports its partner countries in the development of public services.

Public utilities play an important role in urban development. They respond to the specific needs of the local population in key areas such as water and energy supply and waste disposal. However, to ensure sustainable improvements in the standard of living and to support economic growth in urban areas, public utilities must be able to provide reliable basic infrastructure.

Switzerland is aware of the importance of these urban actors, and the SECO thus developed a strategy in 2010 to improve the management of these establishments. Public utilities used a corporate development strategy to determine good practices in financial, organisational, operational and policy areas. This resulted in more customers willing to pay their bills, which in turn led to increased revenue and more

money available for maintenance and investment.

In 2014, Switzerland launched new projects in Albania and in Tajikistan. The projects have important institutional components, aiming to improve the efficiency of water utilities. At the same time, Switzerland pursued its political dialogue with the relevant target groups and donors to complement and optimise its efforts.

To evaluate the results of its strategy, SECO commissioned an external evaluation in 2014. The evaluation confirmed the relevance of corporate development, but also recommended that programmatic approaches should be better tailored to the specific processes of individual public utilities. It was also suggested that middle managers be more involved in the implementation of the changes.



COLOMBIA'S TRANSFORMATION INTO AN INNOVATION AND KNOWLEDGE SOCIETY

An increasing number of innovative companies have sprung up in Colombia in the last few years. A joint Swiss-Colombian partnership has strengthened the national system to protect intellectual property and the transfer of technology.



Colombia is now considered one of the most innovative countries in South America. In recent years, numerous compa-

nies from the technology, service and creative sectors have moved to the cities of Bogotá and Medellín, once notorious for violence. The many new start-ups are proof that urban Colombia is rapidly becoming a society based on innovation and knowledge.

These developments give greater weight to the protection of intellectual property. SECO has supported Colombia in this area since 2012 through

the Colombian-Swiss Intellectual Property Project (COLIPRI) to strengthen and optimise the national system to protect intellectual property and the transfer of technology.

The optimisation of the processes for the examination of trademarks and patents, developed in the context of COLIPRI in 2014, is now being put into practice. Swiss experts are providing training to their Colombian peers in optimising

their examination processes. The purpose is to simplify the use of patents and trademarks for companies and improve their market position. A vision for a future national knowledge and technology transfer system was also laid out. The key elements of this vision have already been incorporated into the design of the National Development Plan (2015–2019).

COLIPRI also strengthens the value chains of traditional agricultural and handicraft products, to protect these products through indications of geographical origin. This should also allow rural regions to benefit more from intellectual property.

SELECTED RESULTS 2014



GLOBAL

■ Improved access to financial services and private sector contributions have vastly increased income and opportunities in the labour market. Since 2014, in SDC partner countries, 300,000 people – primarily small farmers and artisans – have bought agricultural and life insurance coverage. In 2014, the SECO-supported Sustainable Cocoa Production Programme (SCPP) provided training in tree care and environmental issues for more than 15,000 cocoa farmers. Around 13,500 households of smallholder farmers, 80% women, received training in nutrition practices.

ASIA

■ In the last two years, improved access to financial services has helped 22,000 young people in Nepal find employment or become self-employed. In Bangladesh, the award-winning Katalyst project has helped nearly 700,000 smallholder farmers and entrepreneurs increase their monthly income by USD 59 within two years. SECO's Green Building project in Indonesia has supported Jakarta's provincial government in implementing energy-efficient building standards and cost savings of USD 4.2 million.

EASTERN EUROPE AND THE CIS

■ The SECO-supported Advisory Services in the microfinance sector and in corporate governance are showing results. Companies were given better access to financing. In addition, local consultancy firms helped to increase the quality of services. The programme also supports equal opportunities for women: 38% of the clients of microfinance services are women.

LATIN AMERICA

■ A SECO-supported IFC tourism project helped simplify the procedure for granting authorisations in the tourism sector in two Peruvian communities in 2014. The procedure was reduced from 12 to 6 days in one community and from 23 to 8 days in the other.

SUB-SAHARAN AFRICA

■ An essential pillar of SECO's support is related to the private sector and entrepreneurship. This includes improving the business environment, promoting SME access to long-term investment capital and developing entrepreneurial skills. In Africa, one of the IFC programmes supported by SECO facilitated 22 reforms to eliminate or simplify procedures. Thousands of companies have benefited from these reforms.

DEMOCRACY AND THE MARKET ECONOMY



Young people in Kosovo learn the trade of baking. The SDC supports a vocational education and training programme (VET) by working together with the private sector to bridge VET and labour market requirements. Cooperation between the public and private sector creates new training opportunities that are relevant for young people.

CREATING BETTER PROSPECTS THROUGH VOCATIONAL EDUCATION AND YOUTH EMPLOYMENT

Many developing and transition countries are struggling with high youth unemployment. Such is the case in the Western Balkans where many young people are unable to find work that matches their skills. In its efforts to help increase youth employment, Switzerland uses elements of its own vocational education and training system.

Twenty-five years ago, reforms leading to democratic and market-economy systems were initiated in the socialist and communist countries of Eastern Europe and the former Soviet Union. Switzerland has supported these reform processes since the early 1990s. However, the reforms progressed at varying degrees of pace and scope. After the end of hostilities in the former Yugoslavia, the countries of the Western Balkans embarked on a course towards integration into the European Union. They are therefore anxious to initiate a process of democratic, constitutional and economic reforms. In the Western Balkans, Switzerland supports these efforts in Albania, Bosnia and Herzegovina, Kosovo, Macedonia and Serbia.

Switzerland has taken on a leading role in developing vocational education and training systems in different parts of the world to help address high rates of youth unemployment in many developing and transition countries. The situation in the Western Balkans is particularly challenging due to the fact that most former state-owned enterprises there went bankrupt, which meant that they could no longer act as the primary partners of vocational schools able to offer practical training. Without partners in the private sector, vocational schools were no longer able to meet the training needs of the economy.

Drawing on the elements of the Swiss system

Switzerland's involvement in the Western Balkans is based on the success factors of the Swiss vocational education and training (VET) system. Key efforts include upgrading vocational education and training, improving learning content and methods, training teachers and bridging the gap between theory and practice in the curriculum. It is particularly important to involve the private sector in all these efforts. Together with other countries that also have a dual vocational education and training system, Switzerland has managed to promote political reforms and the incorporation of both elements in the local VET system. Over time, Switzerland's experience was also incorporated in the areas of career counselling and job placement. More recently, Switzerland offers targeted support to industries that have significant potential to employ young people.

The experience of the last 20 years in Albania is encouraging

In 2014, Switzerland reviewed its experience of the past 20 years in Albania in the field of vocational training and education and youth employment. During this period, it invested over CHF 20 million in VET programmes and achieved



Trainees study the mechanics of a car engine at a vocational education and training centre in Kathmandu, Nepal.

a number of encouraging results, due in part to its role as coordinating donor in this area. The SDC's work in Albania included introducing innovative teaching methods in a large-scale programme in 35 vocational schools; creating

between theoretical and practical training was bridged in a number of ways, including through the increased involvement of private companies. The public employment office has meanwhile reported an increase in successful job placements.

“The aim of vocational education and training (VET) is to address the high youth unemployment in many developing and transition countries. Switzerland promotes VET by using elements of its own vocational education and training system.”

new curricula for 20 professions and developing the appropriate training materials; training hundreds of teachers; and successfully helping 4,000 graduates – almost half of which are young women – find employment. In addition, the gap

Involvement and cooperation of all stakeholders

Switzerland promotes incorporating various forms of practical training as an integral part of the vocational education and training system's courses. The SDC helps to involve all relevant stakeholders from the public sector, the vocational schools, the employment agencies and the private sector, who then work together to identify problems related to employment, to find solutions and to adopt and implement measures. The SDC succeeded in integrating practical training in training school curricula in three regions in northern Albania, helping several hundred young people find a job.

The successful involvement of the private sector has been shown to be a key element in increasing youth employment. The SDC and SECO have created a systemic approach to strengthening the market that motivates the state and companies to improve their cooperation and the business environment. As a result of its efforts to simplify the establishment of companies, building permits and registration of land, Albania leapt 40 places to rank 68th out of 189 participating countries according to the World Bank's Doing Business Report. Companies have also increased investments in the training of junior staff and have entered new markets thanks to improved value chains. This has put companies in a better position to grow and to create more jobs for young people. Results in the area of processing agricultural products included the implementation of new marketing activities and greater ease of financing new investments; and in the tourism industry, the creation of new destinations and better use of the internet for marketing purposes.

Swiss engagement in other countries and regions

The experiences from Albania were used in the other countries in the Western Balkans, including Kosovo and Bosnia and Herzegovina where Switzerland has been working for several years in the

fields of vocational education and training, job placement and business development. Both the challenges and the success factors are similar. The SDC also promotes VET programmes in countries outside of Eastern Europe, for example in Honduras, Nepal, Tunisia and Burkina Faso.

“Firmly integrating practical training in the vocational education and training system’s courses requires the involvement of stakeholders from the public sector, the vocational schools, the employment agencies and private companies.”

Countries with a large diaspora in Switzerland also benefit when entrepreneurs return to their countries of origin. In addition to entrepreneurial and technical know-how, these entrepreneurs also bring their experience and knowledge of the Swiss vocational education and training system back to their countries. Switzerland considers them to be carriers of knowledge and experience, and therefore as important allies when it comes to creating apprenticeship training positions in companies and pushing forward related reforms in their countries.

DEMOCRACY AND THE MARKET ECONOMY

- Strengthening parliaments, democratisation and state reform
- Promoting local government
- Developing market economies

Switzerland supports countries of the South and East in their transition to democratic, social and constitutional systems with a market economy and citizen-oriented local governments. In promoting democracy Switzerland's focus is on strengthening parliaments, legal systems and good governance. Preventing and fighting corruption is of particular importance. Improving framework conditions for the private sector is another priority of Swiss transition assistance.

WORKING TOWARDS A SECURE AND DEMOCRATIC EUROPE

As part of its enlargement contribution, Switzerland is helping to reduce economic and social inequalities in the enlarged European Union (EU). This commitment is an expression of solidarity and consolidates the foundation for solid economic and political relations with the EU and its member states.



Switzerland supports the new EU member states in Eastern Europe through its contribution to EU enlargement,

which is not part of official development assistance. Switzerland currently supports the implementation of around 200 projects aimed at reducing economic and social disparities in the ten countries which have joined the EU since 2004, namely Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

In all, 13 thematic funds and 28 projects totalling

CHF 257 million were approved for Bulgaria and Romania, which joined the EU in 2007, by the end of the commitment period on 7 December 2014. Many of the projects supported by Switzerland are underway and are already producing concrete results. In Bulgaria, for example, around 200 patients are now receiving home care based on the Swiss Spitex model, and around 20 farms are producing organic products that are marketed directly. In

Romania, based on a mid-term review, 57 small and medium-sized enterprises (SMEs) were given access to an investment fund; around 100 police officers learned the language spoken by the Roma as part of efforts to promote community policing; and four Romanian cities are in the process of implementing a sustainable energy policy. All the planned projects should be implemented by December 2019.

In December 2014, the Swiss parliament approved CHF 45 million for the enlargement contribution to Croatia. Switzerland uses this contribution to fund various cooperation projects, in areas including the water sector, research, vocational education and training, and the strengthening of civil society.

IMPROVING THE EFFICIENCY OF INDONESIA'S PUBLIC FINANCES

Indonesia is the largest economy in South-East Asia. However, the country is faced with difficult challenges, not least because of its rapid growth. Switzerland's support of Indonesia includes help in the reform of its public finances.

Since 2009, SECO has supported Indonesia in the difficult task of carrying out the far-reaching reform of its public finances. Switzerland's contribution funds a World Bank programme that supports Indonesia in the implementation of its complex reforms.

Indonesia's strong commitment has contributed significantly to the progress made,

determined in an initial interim review. In the area of budget planning, for example, which is an important starting point of the programme, a number of improvements were made, giving the Ministry of Finance greater latitude for decision. Reducing the number of documents required for the preparation of the budget, from 20,000 to 1,000, has also contributed to this result. Consequently the

documents are less detailed, but are more strategically focused.

The programme also supports the administrative reform of the central fiscal authority. The reform initially involved the introduction of a single treasury account. This was followed by a series of measures, which resulted in substantial savings of around USD 300 million per year or approxi-

mately 4% of the government's financial needs. The resulting savings could be used to fund other expenditures, such as infrastructure projects. The encouraging results from 2014 were published to document the reforms and to identify the challenges for Indonesia's future broad-based and sustainable growth path.



SELECTED RESULTS 2014



GLOBAL

■ Political and legal reforms supported by the SDC have led to a better representation of minorities and the introduction of higher legal standards. In addition, more than 50,000 mainly young people received vocational training in 18 SDC priority countries.

2013/2014. These simplifications led to savings for the private sector of around USD 77 million. In addition, SECO projects have helped more than 685,000 people in the region gain access to better public services in the energy, water supply and sanitation sectors.

ASIA

■ In Myanmar, mediated political dialogue by the SDC led to the integration of six new trades in the country's vocational training system. In Mongolia, the legal basis was created for miners' rights. The act provides for the reduction of trade barriers for mining properties and formalises access to mining land. In Nepal, more than 8,000 young people completed vocational training in 2014 and 95% of them have already found employment.

LATIN AMERICA

■ In Bolivia, in 2014, around 30,000 young people received dual vocational training. The dual vocational training system has been recognised as a highly effective model and has been incorporated into Bolivian law. In Nicaragua, the adaptation and consolidation of legislation on violence against women was the outcome of mediated political dialogue by the SDC in 2014.

EASTERN EUROPE AND THE CIS

■ In the Western Balkans, projects focused on counselling and vocational training helped nearly 1,500 people find employment. Reforms supported by the SDC helped reduce the time to establish a business from 52 to 10 days. Thanks to IFC projects supported by SECO, 39 legislative changes and process simplifications were implemented in 11 countries of Eastern Europe in

SUB-SAHARAN AFRICA

■ In Rwanda, five vocational training centres were completed in 2014, providing training for 500 apprentices (50% women). In Tanzania, the association of smallholder farmers secured a seat in the Constituent Assembly and was therefore able to enshrine the rights of farmers in the constitution. In Mozambique, the introduction of a new law improved transparency in mining production.

GLOBALISATION THAT PROMOTES DEVELOPMENT



Workers pack flowers at a company producing and exporting cut flowers in Gachancipá, Colombia. The company is GLOBAL GAP certified, which means it is committed to environmentally friendly and socially responsible production.

RECOGNISING AND HARNESSING THE POTENTIAL OF LABOUR MIGRATION

Migrant workers often contribute substantially to the development of their home and host countries. However, their rights are often inadequately protected. Switzerland therefore supports efforts to ensure safe migration processes and improve the legal and material conditions for migrants.

Migration has always served as a strategy to escape poverty, conflict and the impact of environmental disasters, but also to find work and a better income. Today there are an estimated 232 million migrants worldwide. Around 90% of them left their homeland to look for work elsewhere and earn a better income to support themselves and their families.

Labour migration benefits both the countries of origin and destination of these migrants. The countries of origin benefit from wage remittances and the transfer of knowledge and skills, while the countries of destination stand to gain from migrant labour, which is often a driving force of society and the economy. Switzerland is one of the first donor countries to holistically address the different stages of migration, including the departure, entry and return of migrants. Switzerland is involved in projects throughout the migration cycle and works closely with governments and civil society in countries of origin and destination. These projects aim to improve the conditions for labour migration and increase the contribution made by migration to economic and social development.

Focus on the most important labour migration corridor

Switzerland is focusing its efforts on one of the world's most important corridors for migrant workers, which runs from South and South-East Asia to the Middle East. Millions of mostly low-skilled workers from Bangladesh, Nepal, the

Philippines and other countries in the region find work every year in the Gulf States, Lebanon and Jordan. Many of these migrants work as domestic workers, on construction sites or in the textile industry. The material and legal conditions of these jobs are often precarious and there is a high risk of exploitation, discrimination and violence, especially against women. In addition, the question arises of how to best support these migrants so that their migration contributes efficiently and sustainably to the development of their countries of origin and is also beneficial for the countries of destination.

Better prepared and better informed

Switzerland tackles the challenges arising throughout the migration cycle with a number of initiatives. It works with various partners to better prepare migrant workers for life and work abroad. Seminars for potential migrant workers provide valuable information about migrant workers' rights and obligations and what to expect in terms of working and living conditions in the destination country. Since 2013, these seminars have helped 52,000 households in Sri Lanka make more informed decisions about migrating. In addition, the SDC is implementing vocational education and training programmes for migrant workers in Nepal and Bangladesh. Potential migrant workers can attend classes where they learn technical skills that are in high demand in the Gulf States and that will help them earn higher wages.

Switzerland also supports efforts to regulate recruitment agencies and to ensure fair and ethical recruitment practices in labour migration through controls and incentive schemes. Its activities in the destination countries include initiatives to improve access to justice and to services for migrants. Steps have also been taken to facilitate the reintegration of returning migrant workers. In Sri Lanka, a manual developed by the SDC helps returning migrant workers learn how to invest their savings wisely.

Better working conditions

SECO also supports programmes to improve the working conditions for migrant workers, particularly for those working in supply chain factories. Most of these workers are women from rural communities of the same country or from even poorer countries. Special efforts are being made to eliminate discrimination in factories, for example by improving access to social security and trade unions. Experience has shown that on average women send a quarter more money home than men.

“Switzerland is seeking to holistically address the different stages of migration and works with various partners to better prepare workers seeking to migrate.”

Switzerland also participates in the policy dialogue on migration and development. It is involved at the regional level in government consultation processes on labour migration such as the Colombo Process and the Abu Dhabi Dialogue. The aim is to improve legal and material conditions for migrants. Switzerland’s partners appreciate its pragmatism, neutrality and technical competence. Switzerland was the only non-member state invited as an observer to the Ministerial Meeting of the Abu Dhabi Dialogue in November 2014.

Greater prominence on the development agenda

Labour migration will gain prominence on the agenda of development agencies over the next few years. This is due on the one hand to the recognition and greater understanding of the links between migration and development, thanks in part to Switzerland’s efforts in this area and, on the other hand, to the increased media

“Switzerland’s activities include initiatives to improve access to justice and services for migrants.”

coverage of labour migration, such as the reports on the difficult working conditions on the large construction sites in Qatar, where the infrastructure for the FIFA World Cup 2022 is currently being built.

Switzerland has shaped the debate on migration and development in recent years through its presence both in the field and at the political level. This experience should help Switzerland continue its work and innovative initiatives for migrant workers throughout the world effectively, and contribute to the economic and social development of countries of origin and destination.



This textile factory offers above-average working conditions and allows trade union activity. The factory is located in an industrial area and provides transport to and from the place of work. 83% of the 1,200 employees are women.

GLOBALISATION THAT PROMOTES DEVELOPMENT

- Protecting the environment and natural resources
- Renewable sources of energy and greater efficiency
- Efficient use of resources

International rules that promote development also allow small and poor countries to assert their rights. The international community's collective rules must be formulated in such a way that all countries understand their environmental rights and can be integrated into the global market in a lasting way.

Switzerland plays an active role in the UN environmental organisations, the World Bank, regional development banks and the UN Food and Agriculture Organisation (FAO).

But developing countries too must make a contribution and assume their obligations. These include a sustainable and efficient use of the environment and its resources, and the provision of non-fossil energy sources.

FROM THE VILLAGE WELL TO A WATER SYSTEM: PERU SETS A NEW BENCHMARK

New forms of funding and the successful management of water and sanitation services in Peru help reduce disparities between urban and rural areas.



The SABA project began as a small and unimpressive integrated water and sanitation project in the highlands of Peru about twenty years ago. Farm-

ers in remote rural communities joined forces to supply drinking water to their homes. Swiss engineers and local experts provided advice and technical expertise. Innovations such as septic tanks or waste traps for toilets were introduced in areas which have been identified as particularly disadvantaged according to the poverty atlas of Peru.

The successful operation of the services hinges on the close cooperation between the

authorities, rural communities, NGOs and small and medium-sized local enterprises. Providers and beneficiaries must be authorised and trained to operate and use the facilities, and government authorities prepared for their tasks. Women were also encouraged to participate in planning and management processes.

Swiss support helped develop a management model for rural water services which the Peruvian government has

declared as a standard for rural areas. So far, 732,000 people have improved access to basic sanitation, and 297,000 people have improved access to drinking water. Within four years, the Peruvian government plans to invest USD 1.2 billion in the improvement of sanitation services outside of the major urban areas, where 40% of the population still lacks access to drinking water.

Switzerland's contribution of nearly USD 1.2 million has had a considerable leveraging effect. Similar success was also achieved in other Latin American countries, where the SDC's innovative water projects ensure access to drinking water for 251,000 people in Haiti, 351,000 people in Nicaragua and nearly 500,000 people in Honduras.

GREEN CLIMATE FUND: INVESTING IN CLIMATE CHANGE MITIGATION

The effects of climate change are particularly severe for poor populations and developing countries. Through its contributions to the Green Climate Fund, Switzerland supports developing countries in the transition to a low-carbon and climate-resilient development path.

With a financial contribution of USD 100 million to the Green Climate Fund (GCF), Switzerland has substantially increased its commitment to climate change mitigation in developing countries. The GCF, which has raised over USD 10 billion, is the largest global climate fund under the UN Convention on Climate Change that aims to assist developing countries in the transition to a low-carbon and climate-resilient future. "Experience has shown that global cli-

mate goals can only be successfully achieved in developing countries where local development progress is underway," explains Anton Hilber, Head of the SDC's Global Programme on Climate Change. The beneficiary countries should take concrete measures to reduce greenhouse gas emissions and adapt to climate change. The GCF cofinances the implementation of these measures. The GCF's targeted support for climate change mitigation measures is

not only a contribution to poverty reduction, but also promotes environmental protection and global sustainable development.

As a member of the Board of the GCF, Switzerland actively contributes to shaping the role and allocation of the Fund's resources. Switzerland is committed, in particular, to protecting vulnerable populations and developing countries from climate-related natural disasters

and to promoting close cooperation with the private sector.

"The transition to a low-carbon and climate-resilient society cannot be accomplished with public funds alone," says Hilber. "The private industry needs to switch over to low-carbon technologies and production processes." Switzerland's involvement in the GCF pursues one of its international cooperation objectives, namely the reduction of the global risk that climate change poses.



SELECTED RESULTS 2014



GLOBAL

- Switzerland has been involved in the preparation of the new strategic framework for sustainable development post 2015 and has contributed to the integration of a goal on water security for all, the consideration of sustainable consumption and production in the common framework of the targets, the formulation of a goal on employment and decent work, and the inclusion of reproductive and sexual health and rights with the aim of maximising health for all.
- Switzerland contributed significantly to the anchoring of the United Nations High Level Dialogue on Migration and Development in the United Nations system. The issue of migration as a factor of development has since gained traction.
- In 2014, Switzerland supported international regulations to improve food safety, contributing to the adoption of the Principles for Responsible Investment in Agriculture and Food Systems and to the implementation of guidelines to ensure safe and equal access to natural resources and land.
- The new Green Climate Fund was established in 2014. Switzerland's engagement has largely contributed to the greater inclusion of the private sector in multilateral negotiations, in particular regarding funding to combat the effects of climate change.
- Since 2011, SECO has contributed to the World Bank initiative "Partnership for Market Readiness" (PMR) which aims to help developing and transition countries put in place emissions trading systems and introduce CO₂ taxes.
- In 2014, SECO actively participated in the international political dialogue on urban development. SECO brought together leading organisations to compare approaches and experience in support of sustainable urban development at the national and city levels. Findings were used to improve ongoing projects.

17 NEW GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT

The post-2015 agenda provides a universally applicable framework for sustainable development beyond 2015. Switzerland is actively involved in shaping it.

Since 2000, the Millennium Development Goals (MDGs) – to be achieved by 2015 – have provided the strategic policy framework for international development cooperation. A new, universally valid framework known as the Post-2015 Sustainable Development Agenda (post-2015 agenda) is being established for the period after 2015, and will likely be signed by a large majority of countries. The agenda is expected to combine socio-economic development and environmental responsibility, and will include a set of new global Sustainable Development Goals (SDGs).

A paradigm shift in international cooperation



Whereas the MDGs focused on developing countries, the new SDGs will apply to all countries of the world and will guide national and international efforts to solve global challenges. The new framework is intended to contribute to development – with greater emphasis on sustainability – through the pursuit of universality and a balanced integration of social, economic and environmental dimensions until 2030. It also addresses governance, human rights, and safe and peaceful development. International development cooperation will need to be adjusted in line with the post-2015 agenda. The content of the agenda will be broadened to include new topics, while implementing and funding the SDGs will require the inclusion of new approaches, instruments and actors.

Swiss success in the negotiations

Switzerland has been involved and instrumental in the negotiation of the post-2015 agenda since 2012. It has contributed to the development of 16 thematic areas, focusing primarily on specific goals in the areas of water security, health, gender equality, peace and inclusive societies. Switzerland also actively supports the integration of disaster risk reduction, sustainable consumption and production, and migration and development.

The Swiss position was prepared in a broad national consultation process, coordinated by the SDC, and approved by the Federal Council on 25 June 2014. The Swiss negotiation delegation has so far been successful in incorporating Switzerland's position in the most important processes and documents of the post-2015 agenda. For example, Switzerland took part in the Open Working Group on SDGs, which adopted a report with 17 proposed goals in July 2014.

Switzerland's engagement in the SDG negotiations led to the inclusion of a substantive proposal for a water goal in the working group's report. The outcome document also includes specific proposals made by Switzerland for targets related to sexual and reproductive health and rights, disaster risk reduction, migration and resource efficiency. In alliance with other countries, Switzerland also succeeded in establishing a goal pertaining to peace and inclusive societies.

The report of the working group provides an essential basis for the intergovernmental negotiations in 2015 on the post-2015 agenda, which will ultimately be adopted at a summit meeting of the international community in New York in September.

THE 17 SUSTAINABLE DEVELOPMENT GOALS

1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote life-long learning opportunities for all
5. Achieve gender equality and empower all women and girls
6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
17. Strengthen the means of implementation and revitalise the global partnership for sustainable development

BREAKING NEW GROUND WITH PARTNERSHIPS

Multilateral partners are key actors in international cooperation. They have the technical expertise, financial weight and experience to coordinate and implement national and international measures. Non-governmental organisations (NGOs), businesses and research institutes also contribute to social and economic change in various ways.

Food security, healthcare, education, water, financial and economic cooperation – in these and other areas the SDC and SECO work closely with partners in Switzerland, abroad and in international forums.

What links these actors are the specific skills and knowledge they bring to Swiss international cooperation. In turn, they benefit from Switzerland's knowledge and experience, which they include in their work. This is how partnerships, with NGOs for example, con-

tribute substantially to providing access to productive resources and basic services to the poorer sections of the population in different countries. The examples range from innovative waste management and the protection of minors through alternative forms of juvenile justice to agricultural value chains, tourism development, and improvements in hospital staffing with new financing solutions.

Multilateral development banks play a major role, particu-

larly in drawing up new financial models. As mediators, they have extensive experience in successfully involving public and private investors in development projects. They are also key partners on strategic issues such as climate change and water management. Universities and higher education institutions are also important contributors to Swiss international cooperation: on the one hand, they help find solutions to development issues and problems of the future; on the other hand, Switzerland benefits from

their expertise, which in turn strengthens the effectiveness of its international cooperation.

Numerous examples illustrate how many development challenges and global risks confronting society today can only be addressed in the long run if private, public and civil society actors step up cooperation. The cooperation of all stakeholders is essential to muster the necessary financial and technical resources. Institutional partnerships are therefore an indispensable prerequisite for the success of sustainable development, which is why Switzerland will continue to take part in these partnerships.

SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)

The SDC is the international cooperation agency of the Federal Department of Foreign Affairs (FDFA). Its activities cover the following areas:

Regional Cooperation helps people and organisations in their own efforts to overcome poverty and development challenges in priority countries in Africa, Asia and Latin America, and in selected conflict countries and regions. The SDC is involved in fragile contexts, in particular, where it helps to reduce the causes of conflict, build government and civil society resilience to crises and ensure the protection and enjoyment of human rights. The regional development banks are important partners.

Cooperation with Eastern Europe and the Commonwealth of Independent States (CIS) supports political and economic reform processes in the Western Balkans, the Caucasus region and Central Asia to help countries overcome crises and conflicts more effectively. Together with SECO, the SDC implements Switzerland's enlargement contribution to the new EU member states.

Global Cooperation enables Switzerland to lend material and financial support to UN organisations, international financial institutions (i.e. World Bank, regional banks) and global networks. Through its global programmes, the SDC helps tackle global risks such as climate change, food security, water scarcity and migration, all of which severely affect the development prospects of poor countries.

Swiss Humanitarian Aid and the Swiss Humanitarian Aid Unit (SHA) save lives and alleviate suffering in the wake of natural disasters and armed conflict, helping victims of crises and conflicts through emergency relief and reconstruction as well as through preventive action.

The SDC employs 1717 people in Switzerland and abroad, including local staff. Funding amounted to CHF 2,23 billion in 2014. Ambassador Manuel Sager serves as the SDC's director-general.

STATE SECRETARIAT FOR ECONOMIC AFFAIRS (SECO)

SECO is part of the Federal Department of Economic Affairs, Education and Research (EAER). Its Economic Cooperation and Development Division designs and implements economic and trade policy measures with a select number of advanced developing and transition countries. SECO also works with new EU member states (Swiss contribution to EU enlargement).

The main priority of SECO's Economic Cooperation and Development Division is the **promotion of economically, environmentally and socially sustainable growth**, which creates new jobs, encourages greater productivity and helps to reduce poverty, inequality and global risks. The division also coordinates Switzerland's relations with the World Bank Group, regional development banks and UN economic institutions.

In order to **help partner countries become a part of the global economy and make them more competitive**, the activities of the division are focused on strengthening economic and financial policy, expanding urban infrastructure and supply, supporting the private sector and entrepreneurship, encouraging sustainable trade and providing stimulus for climate-friendly growth.

SECO is run by State Secretary Marie-Gabrielle Ineichen-Fleisch. The Economic Cooperation and Development Division employs around 205 people in Switzerland and abroad, including local staff. The division invested CHF 391 million in 2014. The division is run by Ambassador Beatrice Maser.

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Federal Department of Foreign Affairs FDFA

Swiss Agency for Development and Cooperation SDC

Freiburgstrasse 130

3003 Bern

Phone +41 (0)58 462 44 12

www.sdc.admin.ch

deza@eda.admin.ch

Federal Department of Economic Affairs, Education and Research EAER

State Secretariat for Economic Affairs SECO

Holzikofenweg 36

3003 Bern

Phone +41 (0)58 464 09 10

www.seco-cooperation.admin.ch

info@seco-cooperation.ch

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SDC Staff of the Directorate

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Swiss Agency for Development
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Official development assistance (ODA)

- Official development assistance (ODA) is defined at the international level as the total of all financial flows to developing countries and territories (currently 146) and to multilateral development institutions (i) from the official sector; (ii) with the promotion of economic development and welfare as its main objective; (iii) at concessional financial terms.
- The performances of donor countries are usually compared on the basis of the ODA percentage referring to the gross national income (GNI).
- To ensure the comparability and transparency of ODA contributions of its 29 members (28 countries and the European Union), the Development Assistance Committee (DAC) of the OECD has established comprehensive statistical reporting directives to regulate the reporting procedures. These rules define the activities and the contributions that are ODA-eligible and are being periodically adapted and updated.
- Swiss ODA contributions contain mainly the SDC and SECO (Economic Cooperation and Development Division) budgets, the two organs which are commissioned to execute the Federal Act on International Development Cooperation and Humanitarian Aid and the Federal Act on the cooperation with Eastern European countries. Other federal offices as well as 25 cantons and about 200 municipalities also participate in Switzerland's international cooperation. In conformity with DAC's reporting rules, Switzerland also declares bilateral debt relief measures since 2004 (within the framework of the Paris Club) as well as the costs for the assistance to asylum seekers from developing countries during their first year of stay in Switzerland.
- Not all annual SDC and SECO expenditures that appear in the Confederation account are automatically reproduced in the ODA statistics. Some statistical adjustments are made in order to comply with the international directives (not included are disbursements intended for countries or organisations that are not on the OECD/DAC list, different notification practice for specific multilateral contributions, see comment to table 4, p. 15).
- The financial contribution of the SDC and SECO to the enlargement of the European Union (EU) is not reflected in detail in this booklet.

Financing for development beyond ODA

- Non-ODA flows account for an important part of development finance. In the case of Switzerland, these include mainly private capital flows at market terms (foreign direct investments, bank lending, guaranteed export credits) as well as private grants by non-governmental organisations and foundations.

Symbols:

- | | |
|------------------------------------|-------------------------|
| 0.0 = amount less than CHF 50'000. | p = provisional figures |
| – = nil | r = revised figures |
| .. = not available | |

More detailed information is available in the annual SDC statistical publication «Aide au développement de la Suisse» and on SDC's and SECO's web sites:
www.eda.admin.ch/deza/en/home/activities-projects/figures-statistics.html
www.seco-cooperation.admin.ch

SWISS OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

Page 4–17

SDC/SECO EXPENDITURES

Page 20–34



Table 1

DEVELOPMENT OF SWISS OFFICIAL DEVELOPMENT ASSISTANCE (ODA) AND NGO DONATIONS 1960–2014 (MIL. CHF)

	1960	1970	1980	1990
ODA	15.1	130.0	423.1	1 041.4
Confederation	15.1	126.4	416.7	1 025.6
Cantons and municipalities ^a	..	3.6	6.4	15.8
Gross national income (GNI) ^b	37 066	92 570	177 270	347 228
ODA as % of GNI	0.04%	0.14%	0.24%	0.30%
ODA as % of expenditures by the Confederation	0.56%	1.63%	2.38%	3.29%
ODA as % of public spending ^c	0.23%	0.64%	0.90%	1.20%
Private NGO donations	..	50.8	106.6	148.6
Private NGO donations as % of GNI	..	0.05%	0.06%	0.04%

a Estimate for 2014.

b Figures of the Federal Statistical Office based on the previous European system of accounts (ESA95) definitive up to 2011 and provisional for 2012 (FSO, August 2014). Preliminary 2013 GNI figure based on the new European system of accounts (ESA2010) entered into force on 3rd October 2014. SECO Estimate for GNI 2014 (3rd March 2015).

c General government outlays, after elimination of double countings (FSO/FFA).

Swiss official development assistance (ODA) reached CHF 3,246 million in 2014, CHF 280 million more than in 2013. This increase was mainly due to the additional funds allocated to SDC and SECO following the Parliament's decision to gradually scale up ODA to reach the target of 0.5% of gross national income (GNI) by 2015; other parameters were the higher costs for asylum seekers originating from developing countries during their first year of stay in Switzerland and the increase of operations of the Swiss Investment Fund for Emerging Markets (SIFEM).

In 2014, expressed as a percentage of GNI, ODA moved up to 0.49%, reflecting both an increase in volume of ODA and a stagnation of GNI.

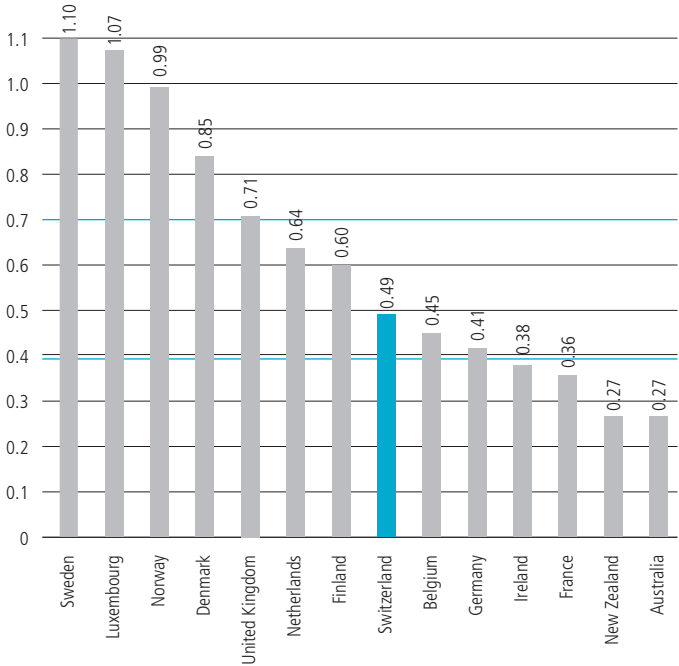
2000	2010	2011	2012	2013 ^r	2014 ^p
1 510.9	2 398.0	2 706.7	2 861.4	2 965.9	3 246.0
1 488.6	2 350.4	2 664.5	2 797.1	2 910.6	3 191.0
22.3	47.6	42.2	64.3	55.2	55.0
463 558	610 174	590 441	611 979	664 994	664 557
0.33%	0.39%	0.46%	0.47%	0.45%	0.49%
3.21%	4.05%	4.34%	4.63%	4.66 %	5.07%
1.23%	1.60%	1.70%	1.79%	1.83%	1.97%
272.0	431.6	413.3	443.1	466.1	–
0.06%	0.07%	0.07%	0.07%	0.07%	–

Thanks to an average annual growth of 8% between 2011 and 2014, Switzerland's ODA is approaching the target of 0.5%. However, reaching it and staying there in the years ahead will depend on the economy (amount of GNI) and on other components of ODA, including costs for asylum seekers, which currently account for 14% of ODA.

Switzerland has adopted the European System of Accounts ESA2010 for the calculation of its gross domestic product (GDP), which has an effect on the calculation of GNI. The change in methodology is effective from 2013 onwards; all the ODA/GNI ratios are based on this new series. As a consequence, the 2013 percentage was corrected downward from 0.47% to 0.45%. The ODA/GNI ratio of 0.49% for 2014 is based on the new methodology.

Graph 1

SWITZERLAND'S PERFORMANCE COMPARED WITH OTHER COUNTRIES 2014 (ODA AS % OF GNI)

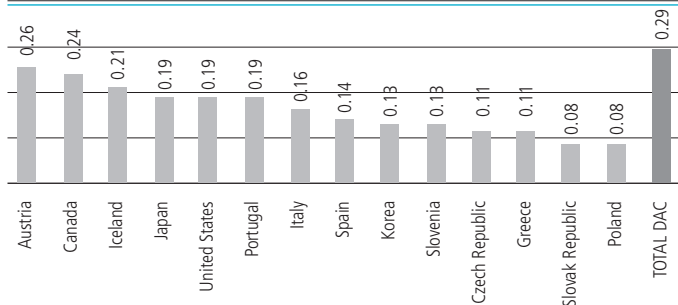


Preliminary data published by OECD/DAC on 8th April 2015 for all DAC countries

Following a significant increase in 2013, total ODA of DAC member states remained stable in 2014 (USD 135.2 billion). With its ODA/GNI ratio at 0.49%, Switzerland maintained its 8th place in the 2014 rankings of all DAC countries. However, by volume, Switzerland reached the 11th position (2013: 12th).

UN Target: 0.7%

Average country effort: 0.39%



Five countries (Sweden, Luxembourg, Norway, Denmark and the United Kingdom) exceeded the objective of 0.7% set in 1970 by the United Nations, while five countries (Netherlands, Finland, Switzerland, Belgium and Germany) surpassed the DAC average country effort of 0.39%. The combined ODA from all DAC members of the European Union represents 0.42% of their GNI.

Table 2

**SWISS OFFICIAL DEVELOPMENT ASSISTANCE (ODA)
2013–2014 (MIL. CHF)**

Confederation
Swiss Agency for Development and Cooperation (SDC)
Humanitarian aid
Development cooperation
Cooperation with Eastern Europe and the CIS
State Secretariat for Economic Affairs (SECO)
Development cooperation
Cooperation with Eastern Europe and the CIS
Loan repayments
Federal Department of Foreign Affairs (FDFA)
Conflict transformation and human rights
Other contributions
Federal Department of Economic Affairs, Education and Research (EAER)
Swiss Investment Fund for Emerging Markets (SIFEM)
Scholarships to foreign students in Switzerland
Other contributions
State Secretariat for Migration (SEM)
Assistance for asylum seekers in Switzerland
Return assistance
Federal Department of Defence, Civil Protection and Sports (DDPS)
Activities for promotion of peace and security
Federal Office for the Environment (FOEN)
of which: contributions to international organizations
Other federal offices
Cantons and municipalities
Total ODA
ODA as % of gross national income (GNI)

a Estimate for 2014.

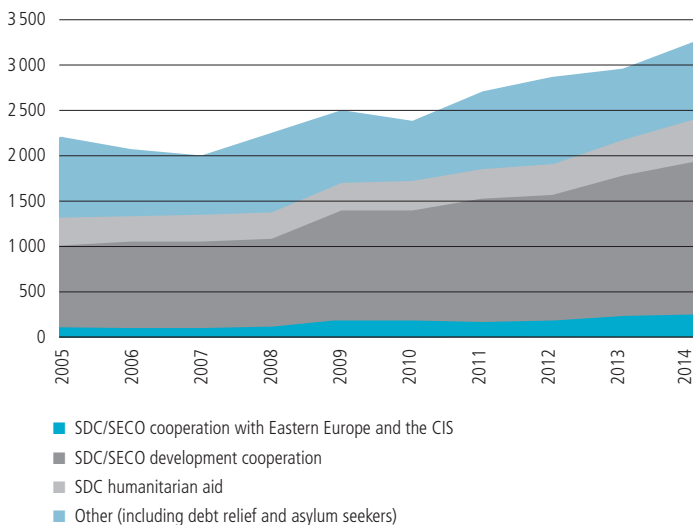
The share of SDC and SECO in total ODA remained at the level of 74% between 2013 and 2014. Likewise, the share of assistance costs for asylum seekers originating from developing countries during their first year of stay in Switzerland (14% in 2014) remained the same. As in 2013, there was no debt relief in 2014.

2014 ^p			2013 ^r		
Bilateral ODA	Multilateral ODA	Total ODA	Bilateral ODA	Multilateral ODA	Total ODA
2 511.9	679.2	3 191.0	2 267.0	643.7	2 910.6
1 482.0	581.5	2 063.5	1 317.2	555.5	1 872.8
411.1	51.4	462.5	346.8	39.6	386.4
923.3	529.2	1 452.5	842.1	515.2	1 357.2
147.7	0.8	148.5	128.3	0.8	129.1
325.5	–	325.5	305.9	–	305.9
246.4	–	246.4	220.8	–	220.8
90.9	–	90.9	88.2	–	88.2
-11.7	–	-11.7	-3.2	–	-3.2
113.5	33.2	146.8	107.5	33.8	141.3
75.0	18.7	93.7	69.9	17.6	87.5
38.5	14.5	53.0	37.6	16.2	53.8
78.3	6.5	84.8	29.9	6.7	36.6
70.6	–	70.6	22.4	–	22.4
6.4	–	6.4	6.4	–	6.4
1.3	6.5	7.8	1.1	6.7	7.8
456.3	–	456.3	437.6	–	437.6
442.4	–	442.4	417.3	–	417.3
13.9	–	13.9	20.2	–	20.2
46.0	–	46.0	46.1	–	46.1
46.0	–	46.0	46.1	–	46.1
4.5	37.4	42.0	4.3	36.9	41.2
3.3	37.4	40.8	3.2	36.9	40.0
5.6	20.6	26.2	18.5	10.8	29.3
55.0	–	55.0	55.2	–	55.2
2 566.9	679.2	3 246.0	2 322.2	643.7	2 965.9
		0.49%			0.45%

The distribution between bilateral ODA (79%) and multilateral ODA (21%) changed slightly in 2014 (compared to 2013, 78% and 22% respectively).

Graph 2

SWISS ODA BY AID CATEGORY 2005–2014 (MIL. CHF)

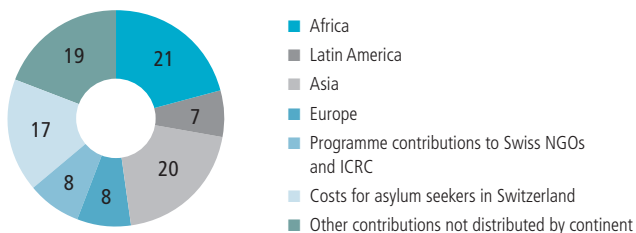


The statistical adjustments used from 2004 onwards (see Technical notes, p. 2) have influenced the irregular growth of ODA and have persistently affected the breakdown of aid categories.

- The share of SDC and SECO development cooperation activities with the South within ODA decreased slightly between 2013 and 2014, following a steady increase during the last decade (from 42% in 2005, 49% in 2009 and up to 53% in 2013). The share in 2014 was 52%.
- During the last decade the share of humanitarian aid in ODA remained stable over the last five years (variation between 12% and 14%, value for 2014: 14%).
- The share of SDC and SECO cooperation with the East (7% in 2014) has not changed since 2009 (whereas the average of the previous years (2005–2008) was only 4%). The contributions from other federal offices, cantons and municipalities (12%) as well as costs for asylum seekers (14%) represented 26% of total ODA in 2014. This aid category is very volatile and has varied significantly during the last ten years, ranging between a maximum of 41% in 2005 and the 2014 share of 26%.

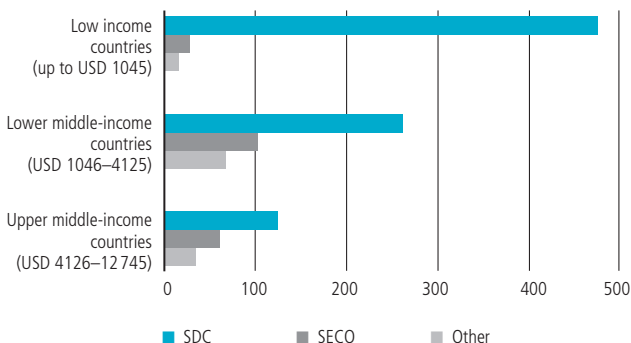
Graph 3

BREAKDOWN OF BILATERAL ODA BY CONTINENT 2014 (IN %)



Graph 4

BILATERAL ODA ACCORDING TO INCOME GROUPS 2014 (MIL. CHF)



See list of ODA recipients according to their level of income

<http://www.oecd.org/dac/stats/daclist.htm>

Table 3

 GEOGRAPHICAL BREAKDOWN OF BILATERAL ODA BY
 CONTINENT AND COUNTRY 2013–2014 (MIL. CHF)

	2014 ^p	2013 ^r
Africa	541.3	525.2
Mozambique	31.0	34.1
Mali	29.7	27.4
Chad	26.9	19.3
Burkina Faso	25.1	35.8
Tanzania	25.1	29.1
Niger	21.3	22.4
Egypt	21.2	15.6
South Sudan	21.0	17.6
Somalia	17.8	12.6
Ghana	16.3	25.7
Tunisia	15.7	19.4
Benin	15.4	17.7
Congo (Democratic Republic)	14.4	22.4
Liberia	12.7	4.1
Zimbabwe	12.1	18.1
Ethiopia	10.0	9.2
South Africa	9.3	8.0
Burundi	8.6	10.4
Morocco	7.0	7.1
Central African Republic	6.7	3.3
Other countries	41.2	59.4
Regional projects and not distributed by country	153.0	106.8
Latin America	174.4	188.7
Bolivia	28.7	29.3
Colombia	19.7	22.2
Peru	17.5	20.1
Haiti	17.1	20.3
Honduras	16.7	18.5
Nicaragua	12.8	20.2
Cuba	10.1	8.5
Other countries	1.8	14.1
Regional projects and not distributed by country	50.0	35.5

	2014 ^p	2013 ^r
Asia	529.4	512.9
Nepal	38.4	42.8
Syria	34.6	19.7
Tajikistan	32.6	27.5
Myanmar	28.8	20.1
Afghanistan	28.3	25.7
Gaza and West Bank	28.1	26.4
Vietnam	28.0	27.7
Bangladesh	26.3	33.4
Kyrgyzstan	25.9	22.5
Mongolia	20.0	18.5
Pakistan	18.7	16.9
Sri Lanka	17.3	10.9
China	16.0	11.1
Laos	15.5	22.8
Indonesia	15.5	22.9
Azerbaijan	13.7	5.3
Georgia	12.6	9.6
Iraq	12.2	6.7
Cambodia	10.7	9.0
India	10.6	10.2
Jordan	7.9	13.5
Yemen	7.9	7.6
North Korea	7.4	10.1
Other countries	21.3	40.9
Regional projects and not distributed by country	51.1	51.0
Europe	212.1	192.0
Kosovo	63.8	63.1
Ukraine	27.0	16.2
Bosnia and Herzegovina	24.4	21.2
Albania	24.2	26.2
Serbia	16.3	17.4
Macedonia	14.6	11.8
Moldova	11.3	10.4
Other countries	2.7	1.8
Regional projects and not distributed by country	27.9	23.9
Other contributions not distributed by continent	1 109.6	903.4
Total bilateral ODA	2 566.9	2 322.2

Table 4

**SWISS MULTILATERAL ODA BY ORGANISATION
2013–2014 (MIL. CHF)**

United Nations organisations
UN Development Programme (UNDP)
UN Children's Fund (UNICEF)
UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)
UN Population Fund (UNFPA) ^a
Office of the UN High Commissioner for Refugees (UNHCR)
United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)
UN Programme on HIV/AIDS (UNAIDS)
International Fund for Agricultural Development (IFAD)
Central Emergency Response Fund (CERF)
World Food Programme (WFP)
Special programmes of the World Health Organisation (WHO) ^b
UN Environment Programme (UNEP)
UN Office for the Coordination of Humanitarian Affairs (UNOCHA)
Contributions to UN organisations reportable in part in ODA ^c
Other UN organisations
International Financial Institutions
International Development Association (IDA) ^d
African Development Fund (AfDF) ^d
Asian Development Fund (AsDF)
World Bank
Other development funds and banks
Other international organisations
Global Environment Facility (GEF)
The Global Fund to Fight Aids, Tuberculosis and Malaria
Consultative Group on International Agricultural Research (CGIAR)
Geneva Centre for the Democratic Control of Armed Forces (DCAF)
Geneva International Centre for Humanitarian Demining (GICHD)
Other institutions
Total multilateral ODA

a The core contribution to UNFPA for 2013 was divided into two payments: 10.6 mil. CHF in 2012 and 4.1 mil. CHF in 2013.

b Excl. the core contribution to WHO, which is reportable in part (see c).

2014 ^p	2013 ⁱ
221.4	197.9
60.0	60.0
22.0	21.0
18.8	11.0
16.0	4.1
15.5	14.0
14.0	12.0
10.0	10.0
9.5	9.5
7.0	7.0
6.0	5.3
5.5	5.9
4.2	4.2
2.5	2.5
23.2	25.0
7.2	6.5
356.0	345.3
231.5	252.8
76.8	52.7
12.0	12.0
12.2	12.2
23.5	15.6
101.8	100.4
29.0	28.5
20.0	10.0
15.5	15.5
10.9	10.7
8.7	8.1
17.6	27.6
679.2	643.7

Multilateral ODA includes general contributions paid by SDC and other federal offices to international development institutions. In 2014, the share of Swiss multilateral ODA was 21% of total ODA, lower than the average share for all DAC countries (30%).

Contributions to international non-governmental organisations, including the International Committee of the Red Cross (ICRC), are considered bilateral ODA.

Swiss multilateral cooperation has three pillars: as in previous years, the international financial institutions (IFI) were the main recipients of multilateral ODA in 2014, but in a lower proportion than in 2013 (52% against 54%). The United Nations agencies and other international organisations absorbed 33% and 15% of multilateral ODA, respectively.

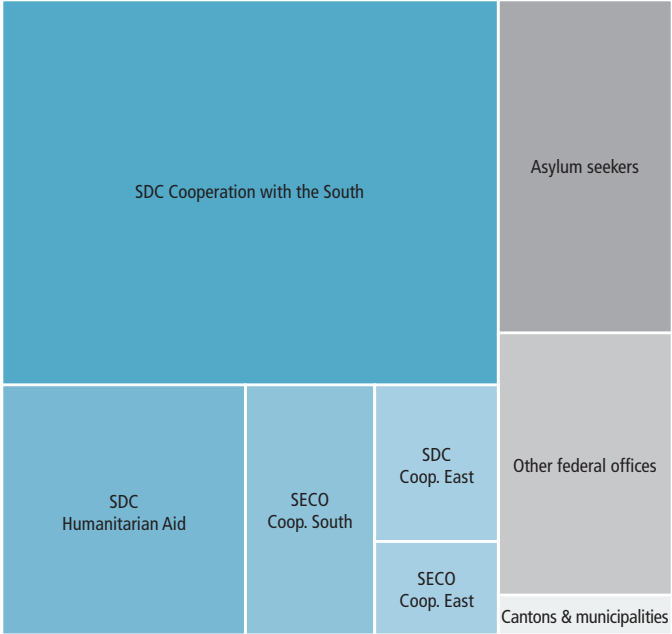
Contributions to IFIs are registered in ODA at the time of the deposit and not upon encashment of the promissory notes (sight drafts). This notification practice explains, on the one hand, the variations which may occur from one year to another and, on the other hand, the differences observed with the State accounts for SDC, where drawings deriving from prior promissory notes will spread over many years (see also Technical notes, p. 2).

c Percentages applied according to DAC directives.

d Incl. Multilateral Debt Relief Initiative (MDRI).

Graph 5

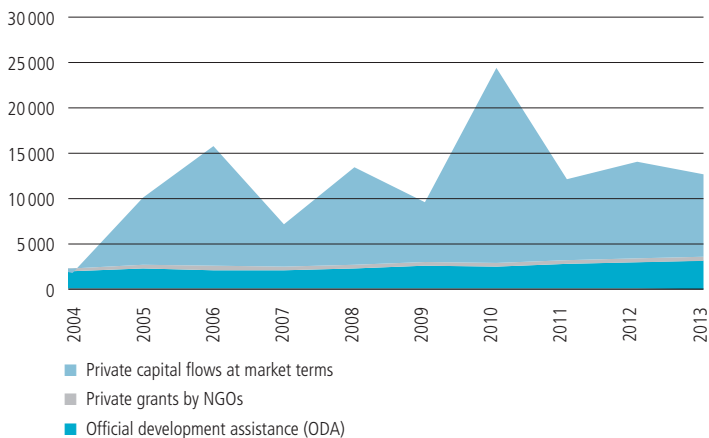
THE FOUR FRAMEWORK CREDITS OF THE INTERNATIONAL COOPERATION AND THE OTHER COMPONENTS OF ODA



This graph shows the composition of Swiss ODA. Its main components are represented proportionally in relation to total disbursements. ODA originates principally from the four framework credits of the international cooperation of the Swiss Confederation, shown in blue in the above graph. In accordance with the international statistical directives, various contributions provided by other federal offices, cantons and municipalities, as well as the costs for asylum seekers are also included in the ODA calculation.

Graph 6

SWISS NET FINANCIAL FLOWS TO DEVELOPING COUNTRIES 2004–2013 (MIL. CHF)



The global development finance landscape is changing rapidly. Resource flows beyond ODA have gained in importance, as most developing countries have access to a much wider range of sources.

Private capital flows, mainly foreign direct investments and guaranteed export credits, represent about 80% of the total Swiss net financial flows to developing countries.

There are also other resources not captured by the DAC statistics, such as workers' remittances from Switzerland to development countries. These flows amounted to around CHF 2 billion yearly in 2013 and 2014, which is twice the volume of the two preceding years (2011–2012). They include all current personal transfers in cash or in kind between resident and non-resident individuals.



SDC/SECO EXPENDITURES

Page 20-34



Table 5

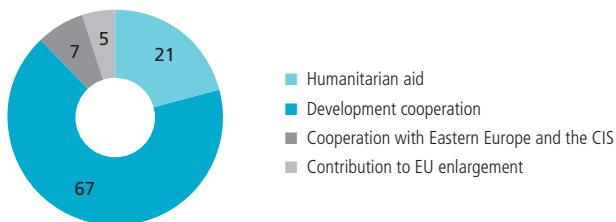
OVERVIEW OF SDC/SECO EXPENDITURES 2010–2014 (MIL. CHF)

Total expenditures SDC
Humanitarian aid
Development cooperation
Cooperation with Eastern Europe and the CIS
Contribution to EU enlargement
Total expenditures SECO
Development cooperation
Cooperation with Eastern Europe and the CIS
Contribution to EU enlargement

The table and the graph above show the financial results for SDC and SECO (Economic Cooperation and Development Division) as they appear in the State account without return flows. The operations of the Swiss Investment Fund for Emerging Markets (SIFEM) are recorded in separate accounts, and therefore do not appear in this table.

Graph 7.1

SDC EXPENDITURES BY FIELD OF ACTIVITY 2014 (IN %)



2010	2011	2012	2013	2014
1 507.0	1 681.8	1 848.7	2 045.1	2 228.2
314.9	336.1	337.7	387.2	463.0
1 066.9	1 204.4	1 338.8	1 419.5	1 496.8
106.7	105.4	109.0	129.1	148.5
18.5	35.9	63.2	109.3	119.9
238.4	268.4	294.6	331.3	390.6
161.2	194.6	208.5	217.3	242.9
59.6	60.0	72.0	88.2	90.9
17.6	13.8	14.1	25.8	56.7

Graph 7.2

SECO EXPENDITURES BY FIELD OF ACTIVITY 2014 (IN %)

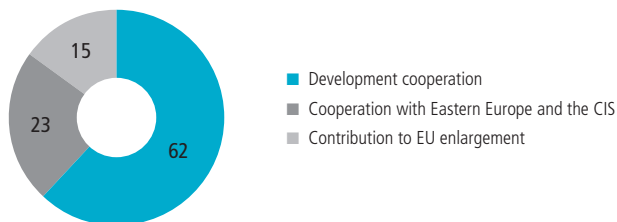


Table 6

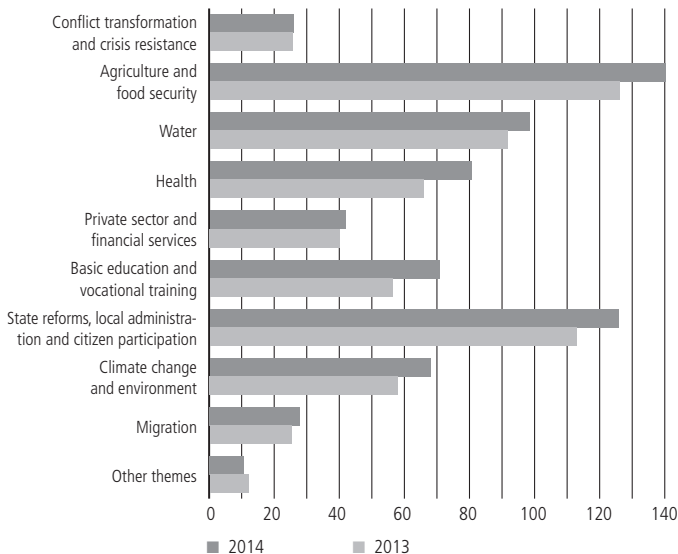
SDC DEVELOPMENT COOPERATION BY PRIORITY COUNTRY AND REGION 2013–2014 (MIL. CHF)

	2014	2013 ¹
Priority countries and regions	496.9	478.1
Mekong	59.1	49.8
Central America	37.9	42.3
Nepal	37.4	38.2
Hindukush	37.0	30.9
Great Lakes	27.3	31.1
Bangladesh	26.0	29.5
Bolivia	25.8	24.5
Southern Africa	24.3	30.5
Tanzania	23.5	22.8
Mozambique	23.3	23.0
Chad	22.7	14.3
Mali	21.5	20.2
Mongolia	19.5	18.2
Niger	18.1	16.6
Horn of Africa	16.9	8.1
Burkina Faso	16.6	21.3
Benin	15.3	15.3
Gaza and West Bank	14.0	14.0
North Africa	12.7	12.5
Cuba	9.4	8.2
Haiti	8.9	6.9
Other activities	448.5	388.6
Other countries and regions ^a	118.3	96.9
Programme contributions to NGOs	101.0	96.5
Thematic mandates and operating costs	229.2	195.2
Bilateral development cooperation	945.5	866.6
Multilateral development cooperation	551.4	552.8
Total	1 496.8	1 419.5

a This category covers countries in which global programmes are achieved (Peru, India, China).

Graph 8

BILATERAL EXPENDITURES OF SDC DEVELOPMENT COOPERATION BY THEME 2013–2014 (MIL. CHF)^a



a Excluding programme contributions to Swiss NGOs, multisectoral activities and operating costs.

The diagram shows the allocation of resources to the thematic domains where SDC concentrated its bilateral development activities in 2013 and in 2014.

Through its global programmes acting at various intervention levels, SDC focuses on the development of innovative solutions in the following five areas: climate change, food security, migration, water and health. These programmes are not specific to any geographic region, but rather focus on those regions where the impact will be the greatest.

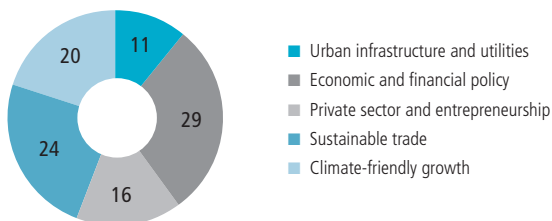
Table 7

SECO DEVELOPMENT COOPERATION BY PRIORITY COUNTRY 2013–2014 (MIL. CHF)

	2014	2013 ^a
Priority countries	97.7	95.1
Vietnam	19.1	16.5
Indonesia	18.2	14.3
Ghana	16.1	25.0
Egypt	13.1	9.9
Peru	10.0	10.7
South Africa	8.1	4.1
Tunisia	6.8	9.1
Colombia	6.3	5.5
Other	145.2	122.2
Global/regional programmes and other countries, various contributions ^a	131.2	111.8
Operating costs (except priority countries)	14.0	10.5
Total	242.9	217.3

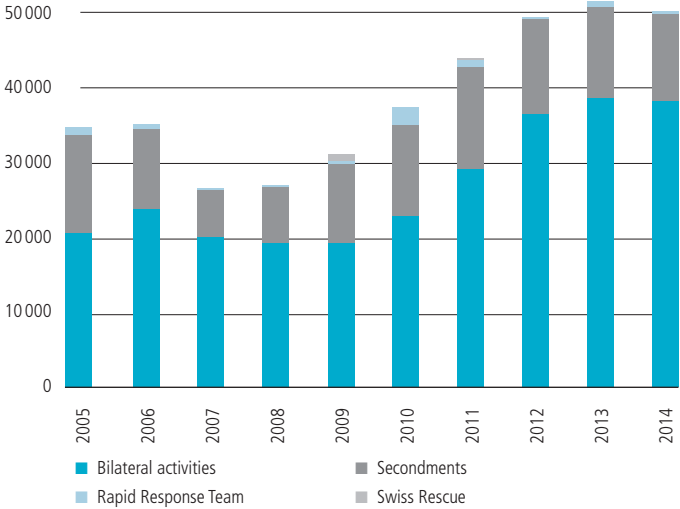
a Significant complementary programs to the SDC measures have been implemented in Burkina Faso, Mozambique and Tanzania.

Graph 9

SECO DEVELOPMENT COOPERATION BY THEME 2014 (IN %) ^a

a Excluding operating costs

Graph 10
 SWISS HUMANITARIAN AID UNIT (SHA):
 MISSION DAYS ABROAD 2005–2014



Graph 11
 HUMANITARIAN AID BY STRATEGICAL FIELDS 2012–2014
 (IN %)

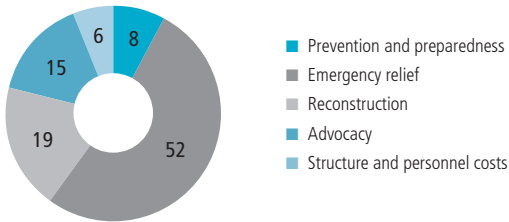


Table 8

SDC HUMANITARIAN AID BY INTERVENTION COUNTRY AND REGION 2013–2014 (MIL. CHF)

	2014	2013 ¹
Africa	128.6	96.5
South Sudan	17.7	12.5
Sudan	11.3	9.4
Congo (Democratic Republic)	8.8	9.0
Somalia	8.7	7.3
Liberia ^a	7.6	2.5
Mali	6.9	1.6
Ethiopia	6.7	5.8
Central African Republic	6.5	2.9
Morocco	5.2	3.5
Zimbabwe	5.2	6.2
Kenya	5.2	5.2
Chad	3.7	2.5
Algeria	3.6	2.3
Madagascar	3.2	2.5
Niger	2.8	3.5
Libya	2.0	0.1
Guinea	1.7	0.6
Ivory Coast	1.5	1.4
Burundi	1.5	2.3
Cameroon	1.3	0.1
Tunisia	1.3	0.2
Egypt	1.1	0.1
Other countries	2.6	5.5
Regional projects and not distributed by country	12.5	9.4
Latin America	27.6	22.0
Colombia	10.9	9.3
Haiti	8.2	7.8
Bolivia	2.8	0.8
Other countries	2.3	1.6
Regional projects and not distributed by country	3.4	2.5

	2014	2013 ^a
Asia	110.9	104.0
Syria ^{a b c}	26.6	11.6
Gaza and West Bank ^b	13.3	9.9
Myanmar	10.2	7.7
Iraq ^a	9.1	6.0
Yemen	7.4	7.2
North Korea	7.3	10.0
Afghanistan	5.6	4.9
Jordan ^b	5.4	8.2
Lebanon ^b	5.0	12.4
Sri Lanka	5.0	8.2
Pakistan	4.2	4.8
Georgia	3.9	3.3
Tajikistan	2.1	1.6
Philippines ^d	1.6	2.8
Other countries	2.6	4.0
Regional projects and not distributed by country	1.6	1.4
Europe	4.6	0.4
Ukraine	2.5	–
Turkey	1.3	0.2
Other countries	0.2	0.2
Regional projects and not distributed by country	0.5	–
Other activities, not distributed geographically	191.3	164.4
General contribution to the International Committee of the Red Cross (ICRC)	80.0	70.0
Contributions to international organisations	51.8	39.8
Programme contributions to NGOs	11.4	10.8
Various contributions and administrative costs	48.1	43.8
Total	463.0	387.2

a Excl. 22.5 mil. CHF financed through the credit for development cooperation in 2014 (Ebola outbreak in Liberia, 11.25 mil. CHF, Syria and Iraq crisis, 11.25 mil. CHF).

b The general contributions to UNRWA of 18.8 mil. CHF in 2014 (9.8 mil. CHF in 2013) are recorded under „contributions to international organisations“. These amounts are distributed as follows: 8.4 mil. CHF in Gaza and West Bank, 4.7 mil. CHF in Syria, 3.5 mil. CHF in Jordan and 2.2 mil. CHF in Lebanon.

c Excl. 14 mil. CHF financed through the credit for development cooperation in 2013.

d Excl. 2 mil. CHF financed through the credit for development cooperation in 2013.

Table 9

PARTNERS OF SDC HUMANITARIAN AID 2014 (MIL. CHF)

UN organisations
World Food Programme (WFP)
Office of the UN High Commissioner for Refugees (UNHCR)
UN Office for the Coordination of Humanitarian Affairs (UNOCHA)
UN Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)
UN Children's Fund (UNICEF)
Other UN organisations
International Committee of the Red Cross (ICRC)
Other partners and direct interventions
Swiss NGOs
International organisations and foreign NGOs
Direct interventions by the Swiss Humanitarian Aid Unit (SHA) and Swiss Rescue
Private sector and research institutes
Operating, personnel and material expenditures
Total Humanitarian aid 2014
Total Humanitarian aid 2013

a This figure includes CHF 20 million in Swiss dairy products and CHF 14 million in grain.

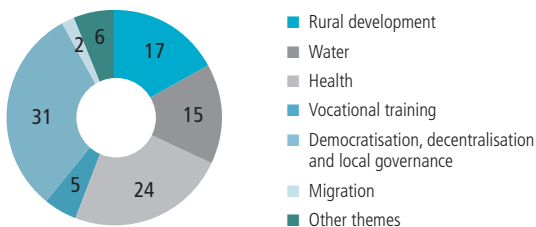
General contributions	Specific contributions	Food aid	Total
51.3	87.1	26.1	164.4
6.0	29.3	26.1	61.4
15.5	19.9	–	35.4
9.5	14.0	–	23.5
18.8	1.1	–	19.9
–	8.9	–	8.9
1.5	13.8	–	15.3
80.0	57.1	–	137.1
0.5	153.0	7.9	161.4
–	27.0	5.3	32.3
0.5	45.5	1.4	47.4
–	39.9	1.2	41.1
–	2.8	–	2.8
–	37.9	–	37.9
131.8	297.2	34.0 ^a	463.0
109.8	243.4	34.0 ^a	387.2

Table 10

SDC COOPERATION WITH EASTERN EUROPE AND THE CIS BY PRIORITY COUNTRY AND REGION 2013–2014 (MIL. CHF)

	2014	2013
Priority countries and regions	120.6	102.2
Central Asia	32.3	27.8
South Caucasus	13.7	10.2
Bosnia and Herzegovina	12.9	10.5
Kosovo	12.7	12.2
Albania	11.8	9.3
Moldova	10.8	9.0
Serbia	10.3	9.2
Macedonia	9.3	8.2
Ukraine	6.7	5.9
Other activities	27.9	26.9
Other countries and regions	12.6	12.4
Contribution to IDEA	0.8	0.8
Programme contributions to NGOs	6.0	5.6
Various contributions and administrative costs	8.4	8.1
Total	148.5	129.1

Graph 12

SDC COOPERATION WITH EASTERN EUROPE AND THE CIS BY THEME 2014 (IN %) ^a

^a Excluding programme contributions to Swiss NGOs, multisectoral activities and operating costs.

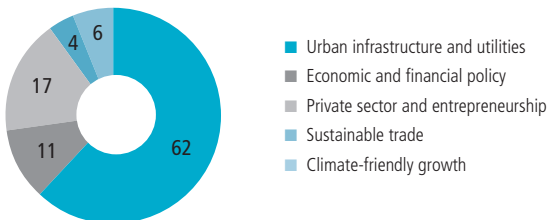
Table 11

SECO COOPERATION WITH EASTERN EUROPE AND THE CIS BY PRIORITY COUNTRY 2013–2014 (MIL. CHF)

	2014	2013
Priority countries	81.8	75.8
Tajikistan	18.4	14.7
Kyrgyzstan	14.4	11.8
Albania	12.3	16.2
Ukraine	11.6	9.7
Kosovo	8.7	7.1
Macedonia	5.1	2.8
Bosnia and Herzegovina	4.6	3.0
Serbia	4.5	6.0
Azerbaijan	2.3	4.4
Other	9.1	12.4
Regional programmes and other countries	4.5	8.5
Operating costs (except priority countries)	4.6	3.9
Total	90.9	88.2

Graph 13

SECO COOPERATION WITH EASTERN EUROPE AND THE CIS BY THEME 2014 (IN %) ^a



^a Excluding operating costs

Table 12

SDC PARTNERS IN BILATERAL ACTIVITIES 2014 (MIL. CHF)

Swiss NGOs and centres of excellence
of which:
HELVETAS Swiss Intercooperation
Swisscontact
Swiss Red Cross
Terre des Hommes, Lausanne
Caritas Switzerland
Swiss Interchurch Aid (EPER)
MSF – Médecins sans Frontières
Solidar Switzerland
Bread for all
Swissaid
Catholic Lenten Fund
Enfants du Monde
Pestalozzi Children's Foundation
Education 21
Geneva Federation for Cooperation (FGC)
Swiss research and university institutions
Swiss private sector
Swiss public sector
United Nations organisations, multi-bilateral activities
International financial institutions, multi-bilateral activities
Other foreign and international organisations
of which: International Committee of the Red Cross (ICRC)
Organisations in the South and the East
Total Partners
Direct interventions, operating costs
Total 2014
Total 2013 ¹

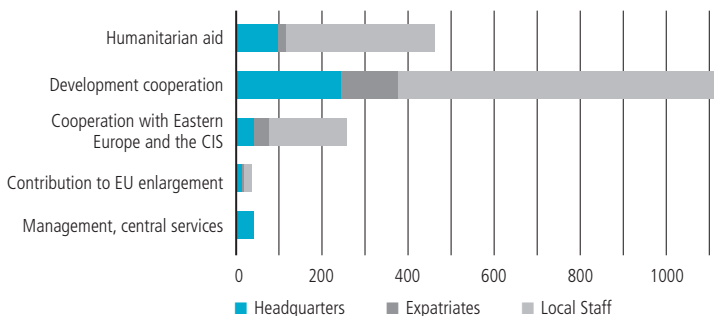
Contributions and specific mandates

Programme contributions ^a	Humanitarian aid	Dev. coop.	Coop. East	Total ^b
118.1	21.9	111.2	14.9	266.1
10.7	1.2	46.1	9.0	67.0
4.3	0.4	22.7	0.2	27.6
9.8	4.4	0.5	3.0	17.7
10.5	1.4	1.6	–	13.5
11.1	1.1	–	–	12.2
7.6	–	–	1.8	9.4
5.7	2.3	–	–	8.0
3.9	-0.2	3.2	–	6.9
6.6	–	–	–	6.6
6.2	–	–	–	6.2
5.8	–	–	–	5.8
2.7	–	2.2	–	4.9
3.7	–	0.1	–	3.8
3.7	–	–	–	3.7
3.3	–	–	–	3.3
0.3	0.6	43.6	11.5	55.9
–	1.1	21.8	6.1	28.9
–	0.9	9.1	2.1	12.2
–	113.1	131.5	21.2	265.8
–	1.0	26.6	7.0	34.5
–	171.3	142.3	30.7	344.3
–	137.1	2.8	–	139.9
–	12.7	182.3	22.2	217.1
118.4	322.7	668.2	115.6	1 224.9
–	77.1	176.1	26.1	279.3
118.4	399.8	844.3	141.7	1 504.2
112.9	336.6	769.7	122.7	1 342.0

a Core contributions to NGOs for development and humanitarian programmes in countries of the South and the East as well as to centres of excellence for awareness activities

b Excl. SDC contribution to EU enlargement (119.9 mil. CHF in 2014).

Graph 14

SDC AND SECO STAFF AS OF END OF 2014
(NUMBER OF FTE)

As of 31st December 2014, SDC employed 1,717 full-time equivalents (FTE), of which 353 at the head office, 166 expatriates and 1,198 local employees.

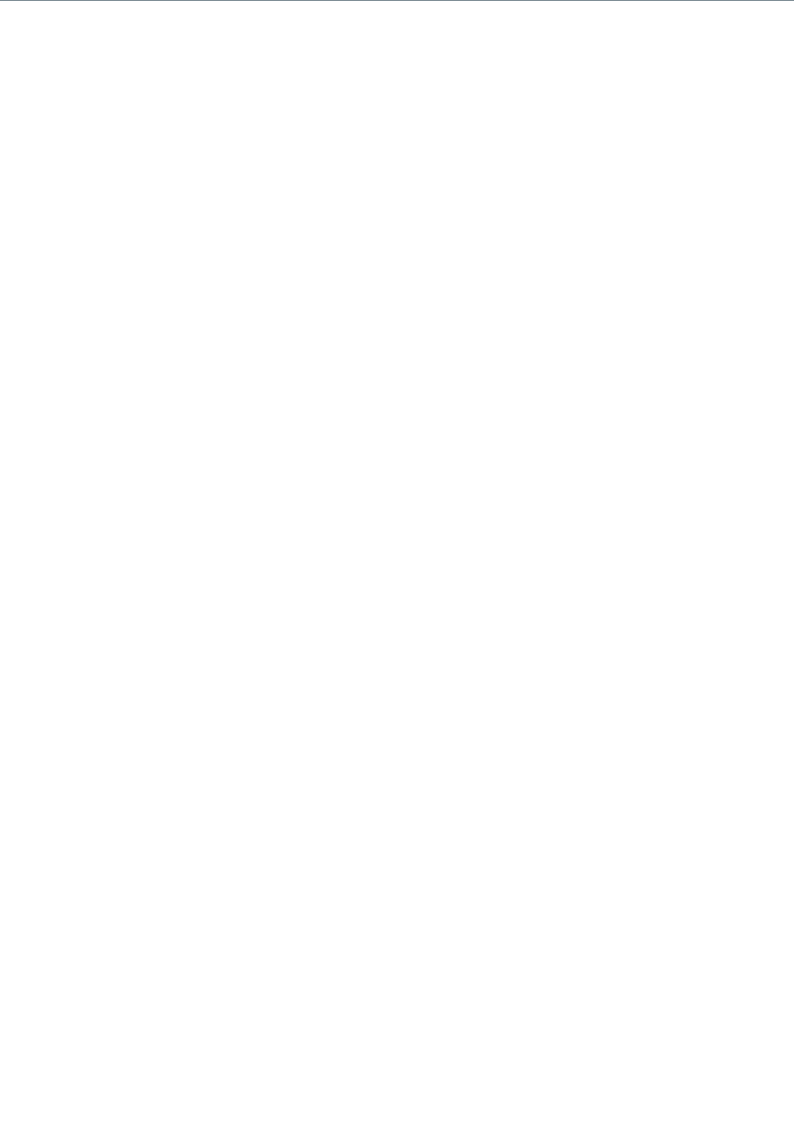
SECO's Economic Cooperation and Development Division employed 205 full-time equivalents (FTE), of which 90 at the head office, 21 expatriates and 94 local employees.

NUMBER OF ONGOING PROJECTS AS OF 31.12.2014

	SDC	SECO
0.5–1.0 mil. CHF	208	17
1.0–3.0 mil. CHF	381	88
3.0–5.0 mil. CHF	239	56
From 5.0 mil. CHF	337	125
Total	1165	286

NUMBER OF SWISS REPRESENTATIONS ABROAD AS OF 31.12.2014

	Total	SDC presence	SECO presence
Cooperation and programme Offices	42	40	10
Offices integrated to embassies	17	17	7
Offices for the Swiss contribution to the EU enlargement	7	7	7
Total	66	64	24



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Federal Department of Foreign Affairs FDFA

Swiss Agency for Development and Cooperation SDC

Freiburgstrasse 130

3003 Bern

Phone +41 (0)58 462 44 12

www.sdc.admin.ch

deza@eda.admin.ch

Federal Department of Economic Affairs, Education and Research EAER

State Secretariat for Economic Affairs SECO

Holzikofenweg 36

3003 Bern

Phone +41 (0)58 464 09 10

www.seco-cooperation.admin.ch

info@seco-cooperation.ch

Editing/Coordination/Statistics:

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deza@eda.admin.ch, or

phone +41 (0)58 462 44 12