

Annual report 2011

Swiss International Cooperation



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC

State Secretariat for
Economic Affairs SECO

Swiss Agency for Development and Cooperation (SDC)

The SDC is the agency of the Federal Department of Foreign Affairs (FDFA) responsible for international cooperation. Its main activities are described below:

Regional Cooperation supports people and organisations in their own efforts to overcome poverty and development challenges in priority countries in Africa, Asia and Latin America. Regional development banks are important partners.

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

Humanitarian aid saves lives and alleviates suffering in the wake of natural disasters and armed conflict. The SDC's Humanitarian Aid and SHA Department seeks to help victims of crises and conflicts through emergency relief and reconstruction as well as through preventive action.

Cooperation with Eastern Europe and the Commonwealth of Independent States (CIS) is intended to support political and economic reform processes in the Western Balkans, the Caucasus region and Central Asia. Support is also provided to new EU member states as part of Switzerland's contribution to EU enlargement.

The SDC employs around 1,500 people in Switzerland and abroad. In 2011, the SDC's budget stood at CHF 1.7 billion. Martin Dahinden serves as SDC Director-General.

State Secretariat for Economic Affairs (SECO)

SECO's Economic Cooperation and Development Division designs and implements economic and trade policy measures with selected advanced developing and transition countries. It also works with new EU member states (Swiss contribution to EU enlargement). SECO is part of the Federal Department of Economic Affairs (FDEA).

SECO's main goal is to reduce poverty by helping partner countries to gain access to world markets and by fostering sustainable economic growth. SECO also coordinates **Swiss relations with the World Bank Group and regional development banks.**

Its priorities include: promoting **stable economic conditions**; improving **trade competitiveness and diversification**; encouraging **domestic and foreign investment**; and improving **basic infrastructures.**

Special emphasis is placed on issues relating to energy, the environment, climate and economic governance. SECO is headed by State Secretary Marie-Gabrielle Ineichen-Fleisch. SECO's Economic Cooperation and Development Division employs 70 people and spent CHF 268 million in 2011. Ambassador Beatrice Maser Mallor heads the division. |

Development policy context	4
SDC and SECO priority countries and regions 2011	6
Bilateral cooperation and Humanitarian aid – results 2011	9
– Sub-Saharan Africa	11
– Northern Africa and the Middle East	17
– Asia	21
– Latin America	25
– Eastern Europe and the CIS	31
Multilateral cooperation – results 2011	35
Global challenges – results 2011	38
– Climate change	38
– Food security	39
– Migration	39
– Water	39
– Economic governance	40
Partnerships and organisational aspects	42
Annex: Statistics 2011	43

More democracy, better economic opportunities and fair treatment: Since the beginning of 2011, millions of people in Arab countries have taken to the streets to demand these values. But the political, economic and social renaissance has been slow in coming, not only in Egypt, Tunisia and Libya but also in many fragile and conflict-torn states in other parts of the world such as Haiti and Afghanistan.

In many countries there is a thin line between stability and instability. This is one reason why countries in transition and fragile states pose a special challenge for international cooperation. Humanitarian aid aims to move rapidly from the provision of emergency aid to more permanent support in the form of development cooperation. What is needed is jobs, social services, security and a functioning legal system, and state institutions that can deliver them. And for this a foundation is needed.

In March 2011, in response to the upheavals in North Africa, the Federal Council decided to expand Switzerland's commitment to the region over the medium term. Its support is directed towards the transition to democracy, economic development and job creation, as well as migration and protection for those in need.

Development progresses even in a constantly changing world: This is documented in the 2011 Annual Report on Swiss international cooperation. In spring 2011, Parliament decided to increase its contribution of official development assistance to 0.5% of gross national income by 2015. As a result the SDC and SECO have been able to strengthen considerably their commitments in the fields of climate and water.

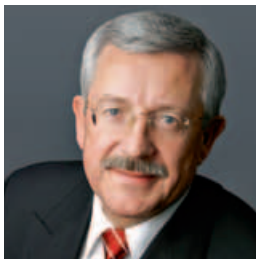
Climate change, food security, water scarcity, inadequate health care, migration as well as economic and financial instability are global challenges that Switzerland's international cooperation will continue to address in the future because these issues are decisive for the destinies of disadvantaged people.

In February 2012, the Federal Council submitted to Parliament the Dispatch on International Cooperation in 2013–2016. For the first time, the SDC and SECO will act with a common strategy covering all fields of action. Their activities in the fields of humanitarian aid, development cooperation, economic development and cooperation, and cooperation with Eastern Europe will all follow the same political objectives and guidelines. This is a historic step.

Poverty reduction remains top priority. In the coming years, together with global challenges, Switzerland will focus on improving living conditions in fragile and conflict-affected states because people living in these circumstances are particularly in need of support.



Martin Dahinden
Director-General of the SDC




Marie-Gabrielle Ineichen-Fleisch
State Secretary, Director of SECO



Development policy context

Unstable states, conflicts and global environmental risks all have an impact on poverty reduction efforts in many regions of the world. The debate on global sustainable development challenges and the “green economy” is gaining momentum.

Côte d’Ivoire, Afghanistan, Nepal: violent conflicts, fragile state institutions, crises and natural disasters have halted development in over a dozen developing countries. Insecurity and lawlessness often affect entire regions. In the Sahel region, drugs, arms and human trafficking, and terrorism have placed various zones beyond state control.

Poverty, insecurity and violence make people twice as vulnerable in fragile contexts, increasing their need for support. Stabilisation of state institutions, the economy and society is the only way to reduce refugee flows, protect the lives of people and lay the foundations for economic and social development.

Security, development and resource policies must be carefully crafted to ensure that they are aligned with one another. In the coming years, Swiss international cooperation activities will be increasingly focused on fragile contexts.

Uprisings in Arab countries

Uprisings of historic proportions in numerous Arab countries will have far-reaching political, economic and geostrategic implications. People hope for a better life, greater respect for human rights, pluralism, the rule of law and social justice. The democratic transformation process will bring both risks

Uprisings of historic proportions in numerous Arab countries will have far-reaching political, economic and geostrategic implications.

and uncertainties. The war in Libya and the violent suppression of protests in Syria have claimed many victims. The development of new political systems will not come without setbacks. Specific dangers include political and religious extremism and reversion to former power structures. Better economic prospects are needed for societies in Arab countries to build a more stable future. Top priority must be given to creating jobs for young people, who make up most of the population in these countries.

In March 2011, the Federal Council decided to support the transition process by taking measures in the areas of humanitarian aid, structural reform, economic growth, poverty reduction and migration. The SDC has established an annual budget of around CHF 20 million for its 2011 and 2012 programmes. SECO is planning expenditures of up to CHF 50 million over the same period.

Growing disparities

Despite considerable progress in reducing poverty, the gap between rich and poor remains a major challenge, both within and between countries: the richest 1% of the world population earns 14% of global income and the poorest 20% earn only around 1% of global income. When the benefits of economic growth flow mainly to the elite, then efforts to improve the poverty situation fall short of what might otherwise be possible. Two-thirds of all people surviving on less than USD 2 per day live in emerging countries.

Discussions have begun on a follow-up model for the Millennium Development Goals (MDG) to be pursued after 2015. New challenges have come to the forefront: climate change, shifts in the global financial system and unstable countries all have an impact on development. Any follow-up to the MDGs must take these challenges into account. Switzerland is actively involved in the preparatory work.

New partnerships with emerging countries

Despite their own poverty problems, emerging countries – including China, India, Brazil and South Africa – have increased their presence in developing countries, particularly in Africa. They purchase raw materials, supply markets with cheap consumer goods and run development programmes independently from the OECD. However, emerging countries do not just invest money in partner countries, they also pursue new objectives. In 2011, emerging countries accounted for over three-fourths of global economic growth. Purchases of large land reserves and insufficient regard for environmental and social standards, however, have drawn criticism. In its Foreign Policy Report for 2010, the Federal Council highlighted the role that emerging countries play in shaping the dynamics of their regions and the fact that they are becoming influential global actors. Private institutions such as the Bill & Melinda Gates Foundation are also pursuing new approaches and objectives in developing countries.

The 4th High Level Forum on Aid Effectiveness held in South Korea at the end of 2011 led to a partnership between OECD countries and new donors. It also led to the establishment of (voluntary) principles for effective development cooperation.

Facing global challenges

Current consumption of natural resources and energy surpass the Earth's regenerative capacities. Water shortages are becoming more common, leading to a greater number of conflicts over water usage. Climate change and fragile ecosystems limit the development prospects of the poorest countries. Climate-induced crop failure and major fluctuations in food prices have led to a resurgence of hunger. 2011 was a particularly severe year for people in the Horn of Africa. These global challenges require an accelerated international cooperation.

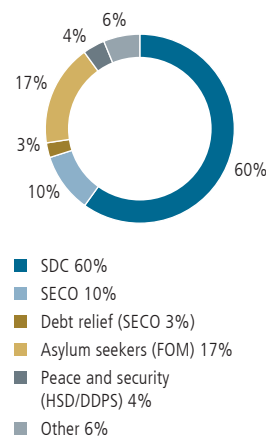
Progress towards the international management of global risks has nevertheless been slow. In Durban, delegates from nearly 200 countries took part in negotiations for a follow-up treaty to the Kyoto Protocol and reached a compromise: by 2015, a world climate treaty is to establish targets which, for the first time, would also be binding on countries such as the United States and China. Negotiations were more along the lines of long-term versus short-term interests rather than along the lines of North versus South.

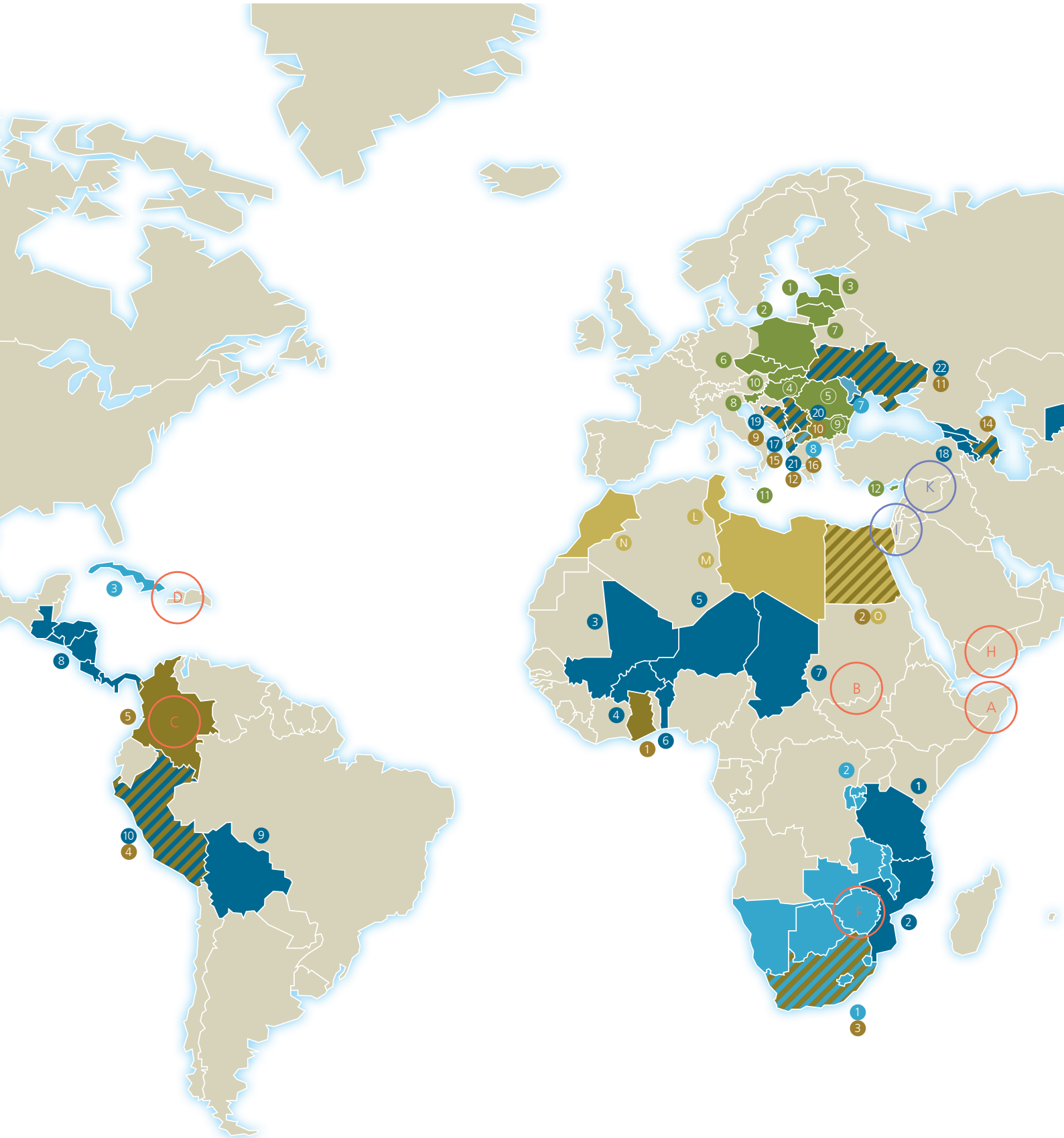
Climate-friendly development

The nuclear disaster in Japan revived interest in renewable energy alternatives and the required infrastructure. Global climate-friendly development is possible when sustainable solutions are quickly found to meet growing energy needs in developing and emerging countries.

The "green economy" concept took on much greater importance in 2011. Environmental innovations should lead to a reduction in pollutant emissions and better protection of global public goods. The Rio+20 Conference in 2012 offers a special opportunity to align international development and environmental policies with innovative measures that recognise the close correlation between poverty reduction and sustainable development. |

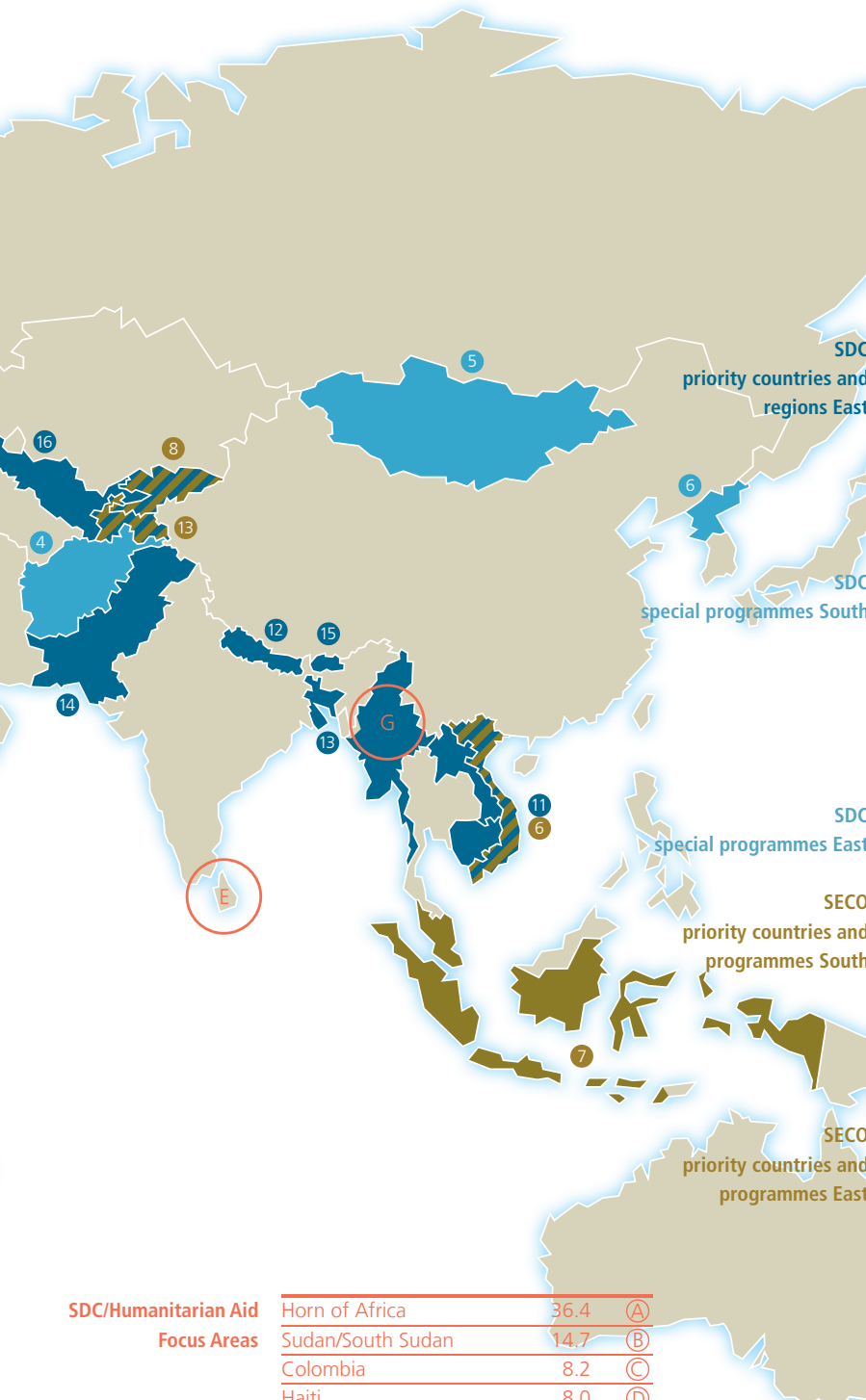
Swiss official development assistance (ODA) in 2011





SDC and SECO priority countries and regions 2011

mil. CHF



**SDC
priority countries and
regions South**

Africa	Tanzania	20.9	1
	Mozambique	19.7	2
	Mali	18.1	3
	Burkina Faso	14.4	4
	Niger	13.9	5
	Benin	8.5	6
	Chad	8.2	7
Latin America	Nicaragua/Central America	33.2	8
	Bolivia	22.3	9
	Peru	8.4	10
Asia	Vietnam/Mekong	35.2	11
	Nepal	29.7	12
	Bangladesh	24.7	13
	Pakistan	9.2	14
	Bhutan	3.1	15
	Central Asia	25.0	16
	Kosovo	10.2	17
	South Caucasus	9.0	18
	Bosnia and Herzegovina	8.5	19
	Serbia	8.0	20
	Albania	7.3	21
	Ukraine	5.4	22

**SDC
priority countries and
regions East**

Africa	South Africa/Southern Africa	24.5	1
	Rwanda/Great Lakes	21.0	2
Latin America	Cuba	3.2	3
Asia	Afghanistan/Hindu Kush	17.0	4
	Mongolia	13.3	5
	North Korea*	2.8	6

*until end 2011

**SDC
special programmes South**

	Moldova	7.3	7
	Macedonia	6.0	8

**SDC
special programmes East**

**SECO
priority countries and
programmes South**

Africa	Ghana	14.3	1
	Egypt	6.3	2
	South Africa	2.3	3
Latin America	Peru	7.5	4
	Colombia	4.0	5
Asia	Vietnam	10.7	6
	Indonesia	10.4	7

**SECO
priority countries and
programmes East**

	Kyrgyzstan	10.2	8
	Bosnia and Herzegovina	8.3	9
	Serbia	4.7	10
	Ukraine	4.4	11
	Albania	3.3	12
	Tajikistan	3.3	13
	Azerbaijan	3.2	14
	Kosovo	1.6	15
	Macedonia	0.4	16

SDC/Humanitarian Aid Focus Areas	Horn of Africa	36.4	A
	Sudan/South Sudan	14.7	B
	Colombia	8.2	C
	Haiti	8.0	D
	Sri Lanka	7.9	E
	Zimbabwe	6.2	F
	Myanmar	5.8	G
	Yemen	5.5	H

**SDC/SECO
New EU
Member States**

	Latvia	18.0	1
	Poland	11.0	2
	Estonia	4.5	3
	Hungary	2.4	4
	Romania	2.3	5
	Czech Republic	2.0	6
	Lithuania	1.3	7
	Slovenia	1.0	8
	Bulgaria	0.6	9
	Slovakia	0.5	10
	Malta	0.3	11
	Cyprus	0.0	12

SDC Middle East	Gaza and the West Bank	21.1	I
	Syria, Lebanon, Jordan, Iraq	16.2	K
SDC North Africa	Tunisia	7.6	L
	Libya	4.1	M
	Morocco	3.6	N
	Egypt	3.2	O



A storm moves across a fish farm on the Mekong River in Laos. The lives of 60 million people in the lower reaches of the Mekong are closely bound to the river. Hydro-electric dams in China and planned dams in Laos are already threatening the river's ecosystem and with it the livelihoods of the local people.

In 2011, the SDC and SECO once again offered people a new lease on life in Africa, Asia, Latin America, Eastern Europe and the Commonwealth of Independent States (CIS). In addition to poverty reduction, attention in recent years has shifted to global challenges: climate change, increasing water shortages and gradual environmental degradation, which place the livelihoods of millions of people at risk.

Development must be both local and global, requiring both decisive organisations and multilateral negotiation mechanisms. International cooperation is more than a mere act of solidarity: it is recognition of the fact that the well-being of people in the north, south, east and west hangs in the balance today more than ever before.

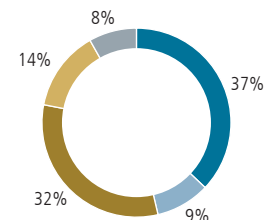
Development results

Development takes time. It requires new paradigms of thought and behaviour, innovative partnerships and perseverance. But in the end, tangible results are achieved: families gain access to water; children attend school; companies become more competitive; countries gain access to world markets.

The year 2011 brought major humanitarian challenges. The tsunami and subsequent nuclear disaster in Japan are but one example of how crisis events can magnify each other when they occur in succession. The severe famine in the Horn of Africa reminds us that food security must remain high on national and political agendas.

Switzerland's key international cooperation achievements in 2011 are presented in the pages that follow. In each case, specific examples and testimonials are included. |

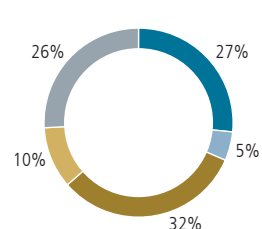
SDC bilateral geographical breakdown 2011¹



- Sub-Saharan Africa
- Northern Africa
- Asia
- Latin America
- Eastern Europe and the CIS

¹ Excl. unallocated and contribution to EU enlargement

SECO bilateral geographical breakdown 2011¹



- Sub-Saharan Africa
- Northern Africa
- Asia
- Latin America
- Eastern Europe and the CIS

¹ Excl. unallocated and contribution to EU enlargement



Hundreds of tonnes of computers and other electronic equipment that have been scrapped by industrialised countries end up each month in Agbogbloshie (Accra, Ghana). Re-usable parts are taken out and sold. Earning little money, these workers expose themselves to fumes from the fires of extremely noxious substances.

The global financial and economic crisis combined with political turmoil in Northern Africa slowed economic growth in Sub-Saharan Africa to 3.6% in 2011. Growth is expected to reach 6% in 2012. Demand for goods and services has risen overall. The countries in the region have opened up their markets more to international trade. However, since they generally export raw materials and import manufactured goods, economic diversification and job creation remain inadequate. Half of the population lives in poverty because of the very unequal distribution of wealth. While poverty is more severe in rural areas, rapid urbanisation has created a situation where over half of all urban dwellers live in extremely precarious conditions. In response to multiple crises, the African Development Bank has significantly increased its lending and technical support activities.

Sub-Saharan Africa

Greater diversification is needed if the economy of Sub-Saharan Africa is to derive more benefits from international trade. Education and better economic conditions are preconditions for this. In the Horn of Africa, a humanitarian disaster unfolded, with 13 million people dependent on emergency relief.

Countries in Sub-Saharan Africa will not reach the MDGs despite progress in certain areas. The best results were observed in basic education where enrolment rates are high. However, the quality of education is often inadequate. Despite major improvements in the area of health, particularly in the fight against malaria, maternal and child mortality rates remain at very high levels. In addition, only 60% of the population in the region has access to drinking water and less than 50% has access to basic sanitation.

In 2011, countries in the Horn of Africa were hit by severe drought and famine. In the northern Sahel

Many families spend 50% or more of their household budget to buy food.

region, drugs and arms trafficking as well as terrorist activities worsened the security situation. The July 2011 independence of Southern Sudan and a return to normal in Niger were two positive developments.

Rural development

International food prices reached a new high in 2011, plunging 45 million more people in Sub-Saharan Africa into poverty. Many families spend 50% or more of

their household budget to buy food. This situation is partly due to the fact that governments and international organisations have shown much less interest in smallholder farming over the past few years. Only a few countries in Sub-Saharan Africa invest over 4% of available state funding in agriculture. Back in 1980, 16% of all official development assistance (ODA) went to agriculture. By 2007, the figure had fallen to a mere 5%. It is only now that the governments concerned and international organisations have begun to reconsider their position. Agricultural spending is expected to increase once more.

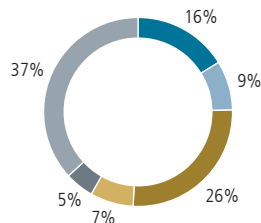
Switzerland focuses on rural development, including loans to farmers, better fertiliser, lower crop loss and irrigation techniques. In Niger and Burkina Faso, the introduction of simple irrigation systems – such as

In Niger and Burkina Faso, the introduction of simple irrigation systems has led to a 30% increase in crop production.

drip irrigation or micro-sprinkler systems – has led to a 30% increase in crop production and better alignment of harvest times to market demand. Moreover, added value in rural areas has improved thanks to new market infrastructures in provincial towns and support for key occupations and services.

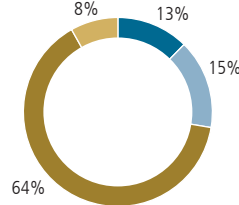
In Burundi, the SDC has recently sponsored an innovative way to promote land ownership. A key aspect of the initiative is the establishment of local land registry offices. Landowners can now easily and cheaply apply for official deeds of ownership for their family farms, thus affording legal protection of their land rights. Thanks to the parcelling of land and mediation work done by community authorities, the number of local land disputes has already fallen.

Sub-Saharan Africa: SDC by themes 2011



- Health
- Education
- Agriculture, water and environment
- Rule of law, democracy
- Other (economy and employment/conflict prevention)
- Humanitarian Aid

Sub-Saharan Africa: SECO by themes 2011



- Private sector development
- Financing of infrastructures
- Macroeconomic support
- Trade promotion

Health

Most of the population in Sub-Saharan Africa lack health and accident insurance. An unexpected illness often means economic disaster and even greater poverty. The SDC helps partner countries in Benin, Rwanda, Tanzania and Chad to develop health insurance programmes. In the south of Chad, for example, 11,000 people now enjoy minimum health insurance coverage.

Despite progress in the fight against malaria, the World Health Organization (WHO) reported 212 million cases of malaria in 2010, 86% of which were in Sub-Saharan Africa. Malaria death rates fell by 38% overall, with 43 countries – 11 of which in Sub-Saharan Africa – reporting a 50% drop in malaria death rates. In Tanzania, the SDC lends support to the Ministry of Health in efforts to coordinate the national distribution of impregnated mosquito nets. While in 2005 only 23% of all households had such mosquito nets, by 2010 the proportion was 64% and climbing. Among other things, under-5 mortality rates have fallen from 147 to 81 per 1,000 live births.

The SDC strives to include health projects in national health systems to ensure universal basic healthcare and good-quality treatment.

Education

Public schools in Sub-Saharan Africa are barely able to provide good-quality education. Around 50% of all pupils do not finish primary school. Switzerland supports alternative approaches to education to reach populations that have been excluded from the normal school system. This includes young people who have interrupted their schooling, inhabitants of rural areas, the urban poor and adult illiterates. The SDC also seeks to encourage the education of young girls and women in particular.

In the Sahel region – specifically from the north of Benin to Chad – the SDC has managed a pilot project with nomadic groups since 2011. Their access to the traditional school system is severely limited. This project has helped young people to acquire basic reading, writing and mathematical skills as well as other vocational skills. They also learn how to assert their rights as citizens.

Humanitarian aid

In 2011, the Horn of Africa was once again the scene of a major humanitarian disaster. Hundreds of thousands of people in Somalia, Ethiopia and Kenya were on the verge of dying from hunger. Various factors such as state collapse, weak governance and the extreme droughts that will only become worse under the effects of global warming, exert a cumulative impact and threaten the livelihoods of the people in this region.

In mid-2011, the United Nations declared six regions in southern Somalia to be famine zones. Tens of thousands of people died. Years of harsh living conditions forced over two million Somalis to become internally displaced persons or refugees in neighbouring countries. A total of around 13 million people were in need of emergency relief. These included people in Somalia, Kenya, Ethiopia and Djibouti, with women and children suffering most from the disaster.

Around CHF 18 million was drawn from the regular humanitarian aid budget to help the region. The Federal Council also set aside an additional CHF 20 million. Most of the relief effort was centred on food projects for women and children. The Action Against Hunger organisation, for instance, used humanitarian aid funding to provide lifesaving emergency food supplies to 11,000 children under the age of five, pregnant women and breastfeeding mothers.

Thanks to a cattle vaccination campaign and the provision of fertiliser by the United Nations Food and Agriculture Organization (FAO), 1.6 million Somalis have been able to start new lives. Switzerland lent support to these activities and other reconstruction projects intended to quickly restore the livelihoods of the people affected.

Thanks to long years of activities in the region, the SDC's Humanitarian Aid and SHA Department can now rely on a solid network of partner organisations. In particular, the SHA's experts were able to intervene directly and lend support to the work of UN institutions.

In Southern Africa, SECO provided support to the efficient management of public finances by helping the IMF to establish a new African Regional Technical Assistance Center, South AFRITAC. SECO also co-funded a World Bank debt management facility, which helped to bring about necessary reforms in this area. |

In South Africa, SECO supported the first travel packages based on fair trade principles.

Economic development cooperation

In South Africa, SECO supported the first travel packages based on fair trade principles. There are currently 65 such trip packages in Switzerland and other countries, which are marketed under the Fair Tourism brand. Through this initiative, SECO has helped to create jobs in the tourism sector. Another innovative project encourages companies to implement new energy standards. This project prompted the South African government to revise its national energy efficiency strategy. In addition, South Africa became the first country in the world to adopt the ISO standard 50001 as a national standard.

In Ghana, SECO has been successful in supporting taxation reform: tax revenues increased in 2011 thanks to more efficient management of public finances. SECO also helped to establish credit bureaus and an infrastructure for the issuance of secured credit. Banks received information on around 3 million loans and 22,000 pledges. In this manner, SECO has made it easier for individuals and small- and medium-sized enterprises (SMEs) to borrow money.

At the regional level, SECO runs a programme in 14 countries in Sub-Saharan Africa to create a legal framework for leasing activities. 8,000 experts – including bankers, judges and lawyers – underwent special training. In addition, around USD 36 million was mobilized for leasing institutions.

“ Like thousands of others in my home town, I always thought that I would get married one day. Then the harsh reality set in when I found out that I was pregnant. Although I had found a job working as a nurse, the future father of our child did not have a penny to his name. I felt guilty towards my family. After my nursing training, my family would have preferred for me to follow a more honourable path.

However, the father decided to pursue his studies elsewhere after my child was born. He never once proposed to me and I was left to my own devices at a time when the presence of a father was so important. I had to overcome my fear and doubts for the sake of this child.

I took stock of my situation. Near the centre of Ngozi, I owned a plot of land that I had purchased at an affordable price with all of my savings. I was sure that this land purchase was a safe investment.

What would have happened had my only valuable asset been taken away from me? For some time already, I had harboured the fear that the seller could one day invalidate the purchase. So I decided to have the purchase certified by the local community notary. A municipal employee told me about a new land registry office. He explained that instead of certifying the purchase with a notary, what I really needed was a title deed. I then negotiated with the seller and his family to have my land ownership rights recognised. The day I had the title deed in my hands was one of the happiest in my life: this title deed has given me peace of mind, since it is recognised by everyone.

Although I have no money, I can now apply for a loan to buy a motorcycle, using my title deed as collateral. The motorcycle will make my life so much easier. And who knows: maybe I will find a new father for my child – the real one has not shown his face for quite some time.

YVONNE NIZIGIYIMANA lives in Ngozi, Burundi. The SDC supports the creation of local land registry offices that enable landowners to easily and cheaply obtain title deeds for their family businesses, thereby securing their legal rights.



MY LAND – MY SECURITY

YUSSUF DIKA belongs to the Borana tribe and lives in Bilikit, a village in the north-eastern part of Kenya. As part of a cattle restocking programme, he received five goats and a camel from Vétérinaires Sans Frontières (VSF). He was also taught how to take care of camels. The VSF project is sponsored by the SDC within the framework of its humanitarian aid activities. It is a response to climate change and seeks to give shepherds who have lost all of their animals to drought, a new lease on life.

ENLISTING CAMELS TO FIGHT CLIMATE CHANGE



“ I used to have 30 cows and we had more than enough milk for our seven children. If someone fell ill, I was able to sell one of my cattle to pay the hospital costs. We always had enough grain, sugar and tea for our own needs and sometimes even to host visiting relatives. When the rain stopped, all of our animals died. Everything that we used to have was lost.

We ended up moving to Bilikit, where I applied for food aid from the World Food Programme (WFP). However, life here was a disappointment. As a shepherd, I had had my own portable shed. Here I had to rent a plot of land, which was expensive and work was impossible to come by.

When I still had cattle, people used to greet me, show me respect and invite me to various gatherings. After we lost everything, they began to look the other way whenever I passed by because they were afraid that I would ask them for help. We were hungry and in rags.

When the people from Vétérinaires Sans Frontières (VSF) came here and announced that they would give camels and goats to the poorest, I prayed to God and spoke to the entire vil-

lage to get my name added to the list. When I was selected, my wife danced with joy.

The dry seasons are getting longer. The population is growing and we no longer have as much pastureland as we used to. Camels and goats eat the leaves from trees and are able to live without water for longer periods of time. VSF showed us how to take care of camels and helped us to establish the VSF camel organisation. Together, we keep the animals in a herd.

My camel will soon have a calf. Then we will have enough milk for the entire family. I may even be able to sell two glasses and use the money to buy tea and sugar. People have started saying hello to me again.

Half of the world's population contend with natural disasters on a regular basis. People in poor countries are particularly at risk. The SDC helps populations in Latin America, Northern Africa, the Middle East, the Southern Caucasus, Central, South and East Asia to better prepare for natural disasters. This includes preventive measures to avoid such disasters – including those which are climate-induced – and preparations for unavoidable natural disasters such as earthquakes. The aim is to minimise death tolls and material damage to vital public goods.

Natural disasters do not stop at the border, which is why the SDC works closely with multilateral partners. An important partner institution is the United Nations International Strategy for Disaster Reduction (UNISDR). Its mission is to coordinate disaster relief efforts within the UN system and make use of synergies whenever possible. The most important international conference on the topic is the Global Platform on Disaster Risk Reduction, which was last held in Geneva in 2011. The 31st International Conference of the Red Cross and Red Crescent was also held in Geneva in December 2011. At this event, Swiss humanitarian aid representatives called for stronger national legislation in favour of disaster prevention.

In Armenia, the SDC worked with the Ministry of Emergency Situations



Reducing the risk of natural disasters – a global task

to further develop Armenia's decentralised disaster response structure Ardzagank. Among other things, this included support for volunteer rescue teams from civil society and construction of adequate training facilities. Over 60 fire stations across the country now have well-trained personnel and suitable equipment. 2,200 firemen and

rescue workers are available to locate and save victims of small disasters such as flooding. The newly acquired knowledge and equipment are routinely used on a daily basis, e.g. to fight fires or assist in traffic accidents. This ensures that well-trained workers are on hand to deal with natural disasters whenever they may strike. |

Art and culture as drivers of social development

The SDC allocates at least 1% of its programme budget for cultural initiatives in partner countries. Cultural activities contribute significantly to development processes and the transition to democracy.

In Hebron in the West Bank, young people use theatre to improve skills needed to handle everyday problems. The local education ministry has also

included art education in the teacher-training syllabus. Both of these initiatives are the fruit of work done by SDC-backed cultural institutions. Among other things, these initiatives revive interest in Palestinian cultural heritage and soften the impact of political and social crises. |



A member of the rebel group takes time to look around the abandoned headquarters in Bab al-Aziya of the Libyan dictator, Muammar al-Gaddafi, in the south of the capital Tripoli. Following the fall of the regime and a bloody civil war, the country is facing a difficult period of reconstruction.



Northern Africa and the Middle East

In early 2011, demonstrations brought down autocratic regimes in Tunisia and Egypt. People also took to the streets in Jordan, Bahrain, Syria and Yemen to demand democracy, freedom and better economic prospects. In Libya, Gaddafi's troops waged war on its own population, and NATO felt compelled to intervene. In Syria, bloody clashes have claimed many victims.

In March 2011, the Federal Council approved the measures that Switzerland would take to help Arab countries in the transition process. The Swiss programme in Northern Africa coordinates the activities of all federal agencies involved in the region. It focuses on the following areas: transition to democracy, human rights, economic development, employment, migration and protection.

Through demonstrations and armed conflict, the populations of several Arab countries have managed to topple autocratic governments. Numerous hurdles remain before democracy and compensatory justice can be introduced. Switzerland is supporting the transition process.

Humanitarian and transition aid

In Libya, the SDC quickly responded to humanitarian needs when around one million people fled the country. Rapid response teams from the Humanitarian Aid and SHA Department distributed sanitary products and food along the Tunisian and Egyptian border. Over 200,000 migrant workers, mainly from Asian countries, received funding to help pay for their return trip home. In March, a programme office was opened in Benghazi to carry out medical projects.

In Morocco, transit migrants often live in degrading conditions. In urban agglomerations, they have no access to basic services. Women and children are particularly vulnerable. The SDC supports the Moroccan Orient-Occident foundation, which promotes the

In Libya, the SDC quickly responded to humanitarian needs when around one million people fled the country.

rights of migrants in Moroccan society, offers advisory services and provides medical care. Training is also provided to Moroccan personnel at reception centres for migrants from Sub-Saharan Africa.

In Tunisia, the SDC works through the Swiss Hiron-delle Foundation, which maintains a local news radio

station for inhabitants in a poor region in the southern part of the country. Through this project, moderators and correspondents learn how to lead interactive policy debates using professional and balanced content. The SDC also worked with the United Nations Development Programme (UNDP) to deliver 12,000 voting

nearly five million people. The SDC is also involved in a pilot project for 40 of the poorest families in a refugee camp in the south of Lebanon. The families receive money and technical assistance needed to renovate their makeshift shelters on their own. This approach of helping people to help themselves builds self-confidence and autonomy. Thanks to this initiative, the SDC was able to find a donor to support other families.

In the Middle East, the SDC supports the UN Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA), which covers the basic needs of nearly five million people.

booths for the country's first democratic elections. In Egypt, the SDC takes part in a world fish project in the Nile Delta. New jobs, especially for young people, have been created in a professionally built and environmentally friendly fish farm. At the same time, the food situation in rural areas has improved. Several branches benefit from this: fish farming, transport, distribution and marketing.

In Yemen, the SDC supports an emergency relief programme run by the United Nations and the International Committee of the Red Cross (ICRC). This programme provides food, accommodation and medical care to 700,000 refugees and internally displaced persons (IDPs). The SDC has also created a coordination platform to enable humanitarian actors to better align their activities and optimise the use of resources.

In the Middle East, the SDC supports the UN Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA), which covers the basic needs of

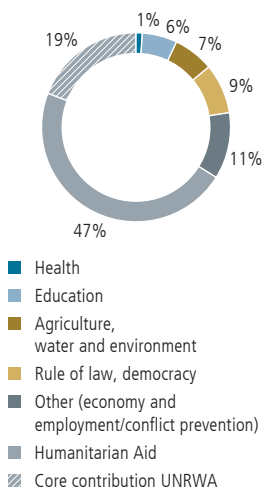
A major earthquake shook the eastern Turkish province of Van on 23 October 2011. Working with the Swiss Red Cross (SRC), the SDC transported around 300 winter tents as well as heating stoves and blankets to this disaster area, which is mainly inhabited by Kurds. Around 1,500 people received food and 2,200 emergency shelters were equipped with radiator heating. After a strong aftershock on 9 November 2011, the SDC provided funds to the Städtepartnerschaft Basel-Van for the delivery of 150 family winter tents.

Economic development cooperation

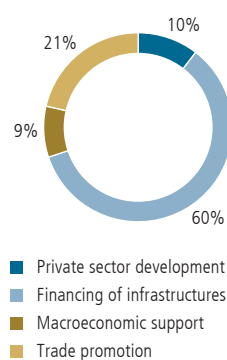
SECO's projects in Egypt and Tunisia were maintained in 2011 despite the political upheavals taking place. The nationwide effort to restore blood transfusion services and x-ray examinations in Egypt was particularly important for the victims of violent clashes.

Thanks to many years of constructive ties with Egyptian partner institutions, radiology equipment was supplied practically without delay. An official ceremony was held in Cairo in November 2011 to mark completion of the second phase of the radiology project, where equipment worth around CHF 8 million was delivered. Since the start of the project, over 190 hospitals in nearly all of the governates in Egypt have received Swiss equipment and technical support.

Northern Africa and the Middle East: SDC by themes 2011



Northern Africa : SECO by themes 2011



This has enabled the hospitals to provide affordable high-quality services for all.

Work on wastewater projects continued in Egypt and Tunisia. In addition to a major wastewater management project in the Nile Delta in Egypt, the Swiss Institute of Aquatic Science and Technology (EAWAG) conducted an applied research project. It also tested decentralised wastewater treatment technologies to determine levels of cost efficiency, operation, maintenance and social acceptance. These decentralised services are meant to complement the centralised wastewater treatment system, which is part of the major wastewater management project in the Nile Delta. Around 1.2 million people will benefit from the construction or renovation of 14 wastewater treatment plants.

In Northern Africa, SECO works to support SMEs. In Egypt, funding was provided for the construction of four service centres for producers and exporters of medicinal and aromatic plants.

By promoting alternative dispute settlement mechanisms, SECO was able to help companies in Egypt, Morocco and Lebanon settle trade disputes in a manner that was quicker, cheaper and better for the economy.

SECO is currently preparing additional projects to address the urgent need for jobs in the private sector in North African countries. |

In Egypt, over 190 hospitals have received Swiss radiology equipment and technical support.

“ A short time ago, I was involved in a traffic accident which damaged my hip. People told me that I had to go to the nearby Om El-Masreen public hospital, which used advanced diagnostic methods and where treatment would be free of charge. One of my relatives took me there straightaway.

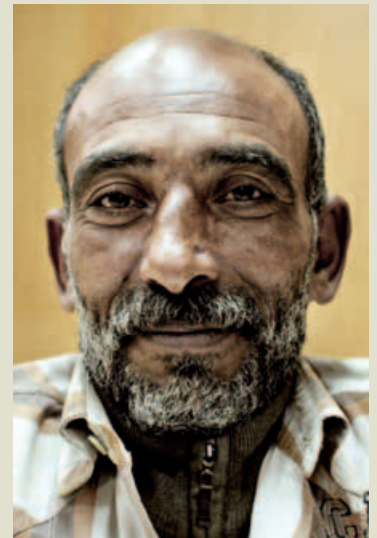
At the hospital, they told me that my injuries were serious and I was admitted immediately. The radiology ward had been completely renovated with modern equipment. The medical staff struck me as being both friendly and competent. They told me that they would be taking a digital x-ray of my bones.

They showed me the results right after the examination. I have also heard that x-rays taken using this new technology are more precise – and, of course, things go more quickly. Not only that, there was no longer a charge to have the x-ray film developed. Before, patients always had to pay for this.

Lots of things have changed since the revolution in Egypt on 25 January 2011. We don't really know what the future holds in store. For this reason, I am happy to see that the general population in our country has access to such good quality services and infrastructure.”

BETTER EQUIPPED HOSPITALS

MOHAMED AHMED is Egyptian and lives in Giza. For over 30 years, SECO has funded infrastructure projects in Egypt, including the one relating to radiology equipment. Over this period of time, SECO has spent CHF 270 million in the form of mixed credits. With this form of funding, the Egyptian government pays back some of the amounts received.





Scene of a protest during the general strike day in Nepal. Recurring civil disturbances disrupt public life in the capital Kathmandu, paralysing transport. As they struggle to maintain their daily routines, Nepalis are painfully reminded that their country is not yet a settled state.

Asia

Restrictive monetary policies and stagnant export demand have moderated economic growth in South-east Asia. Critical challenges need to be overcome in order to achieve broad-based, poverty-reducing growth. Reining in inflation is the main challenge, since inflation drives up food prices, which in turn threatens food security. The Asian Development Bank has managed to improve the food price situation by investing in irrigation systems, rural roads and access to microcredit. The widening income gap is another major challenge. In the medium-term, Asian countries need to create higher-paying jobs through such means as regional trade and greater South-South cooperation. Governance shortcomings and collective regional

The growing economies of Asia have shown considerable resilience to the international slowdown in growth. Despite uncertain global prospects, the growth forecasts for the region stand at 7.7% for 2012. However, not everyone benefits from this growth.

security issues must also be addressed. The SDC and SECO's programmes in Southeast Asia help to face these challenges.

In the Mekong Region, Vietnam has experienced rapid economic development. However, inflation and inequalities stand in the way of sustainable development. Laos hopes to export electricity but has done little to improve rural incomes. Both countries have made insufficient progress in reforming state institutions and encouraging civic participation. Mongolia has been a middle-income country since 2010; current forecasts predict annual growth of 8%–15% between now and 2015. There is a clear desire for democracy and decentralisation and tangible steps have been taken in this direction. While China has been an economic driver in the Mekong Region, it has shown little interest in adopting a sustainable approach.

In Pakistan, Switzerland built barriers to protect villages from future flooding disasters.

Myanmar remains volatile and fragile, though it has opened up somewhat. The same holds true for Cambodia. Bhutan is consolidating its successful transition to democracy.

Afghanistan, Pakistan and Nepal all face a deteriorating legal and security situation and have to contend with both active and latent conflicts. The unresolved Kashmiri conflict between India and Pakistan has had a negative impact on regional cooperation. At the

same time, the region is home to one of the world's most dangerous geopolitical conflict zones: the Hindu Kush region, bordering Afghanistan and Pakistan. Social, ethnic and economic disparities continue to increase in all of these countries. While Bangladesh has experienced strong economic growth, the lack of job prospects has forced many to migrate, especially young people.

Rural development

The SDC's contribution to rural development in the region remains essential in many respects, including support for minorities, income, employment, food security, decentralisation and civic participation. All of these were guiding themes for SDC activities in 2011.

In Afghanistan and Pakistan, the SDC seeks to improve living conditions by increasing agricultural production and promoting income-generating activities for the rural population. In 2011, the SDC was able to reduce flood damage in the Bamyan Province of Afghanistan by up to 60% thanks to better management of water catchment areas. 100,000 people benefited from this. In Pakistan, Switzerland built barriers to protect villages from future flooding disasters.

With each project to build roads and bridges in rural areas of Nepal, Switzerland has sought to ensure that work was given to particularly disadvantaged women and men. In 2011, around three million additional working days were created. In Bangladesh, 1.5 million people – mostly women – underwent technical training (e.g. embroidering fabric). This enabled them to earn an average of USD 10 more per month, a roughly 30% increase in income.

In Vietnam, work to help rural communities continued on the basis of prior successes. In the provinces of Hoa Binh and Cao Bang, over 77,000 households in 103 municipalities received support in the planning, implementation and funding of small-scale projects. This successful model for rural development and higher incomes will be replicated in other provinces.

In Mongolia, the SDC has contributed to the sustainable use of arable land. Over 290 farming groups comprised of 11,000 families take part in a national rotation system covering 1.2 million hectares of farmland. Compared to 2010, this amounts to an increase of 15%. The rotation system also prevents overuse of farmland and helps to stabilise cattle stocks.

Good governance

In Nepal and Afghanistan, Switzerland helps to improve the human rights situation by encouraging decentralisation, accountability and transparency in government structures. As a case in point, Switzerland organised public hearings in Nepal at the district level. This prompted the local authorities to significantly improve the quality of services, handling over 60% of all complaints submitted.

In Bangladesh, many people lack sufficient access to basic services such as drinking water, basic sanitation, education or medicine. Switzerland therefore supports local authorities in their efforts to improve these services. As a result, 200,000 people now have access to water and 300,000 people – 40% of whom are women – now have a say in local community decision-making processes.

In Laos, Switzerland has helped to implement government and administrative reform. Government employees undergo training to prepare for work in rural areas. This ensures that administrative tasks are more aligned with local conditions.

In Mongolia, efforts to make administrative services more accessible in more areas have continued. Over the past three years, 29 "one-stop shops" have been established, handling roughly two million administrative requests made by around 600,000 clients. The most important administrative procedures can be taken care of at these service centres. In 2011, the government of Mongolia asked the SDC to prepare a decentralisation and democratisation programme to enable more comprehensive community-based services. This programme will be launched in 2012.

Switzerland also works with the Asian Development Bank to ensure, among other things, that human rights and good governance issues are openly discussed with recipient countries.

Humanitarian aid

Since the end of the civil war, Swiss humanitarian aid has been busy rebuilding war-torn villages in the northern part of Sri Lanka. In 2011, over 1,000 internally displaced families were provided with the funding needed to rebuild their homes. The future homeowners received a funding contribution of up to CHF 5,000, which was paid in instalments as construction progressed. Responsibility for building the houses remained with the families themselves, who nevertheless received technical guidance. Prolonged years of conflict destroyed community infrastructures and the livelihoods of the population. Efforts are therefore centred on rebuilding entire villages. Over 900 families received a funding contribution to restore their livelihoods. In addition, two schools were rebuilt to provide a safe learning environment for 1,850 children.

In Myanmar, parliamentary elections in the spring of 2011 enabled a civilian government to replace the military regime that had held onto power for decades. The new president's reform proposals leave room for cautious optimism. The SDC will nevertheless face difficult conditions on the ground. In 2011, the SDC's Humanitarian Aid and SHA Department built twelve more cyclone-proof school buildings and transferred these to the authorities. The school buildings will provide a safe learning environment for around 2,300 children and can be used by the population as shelters in the event of future natural disasters.

Thanks to targeted training, the local population is now better equipped to handle environmental risks. Experiences are being replicated in new SDC projects to build social infrastructures for inhabitants affected by the internal conflict in the south-eastern part of Myanmar.

Economic development cooperation

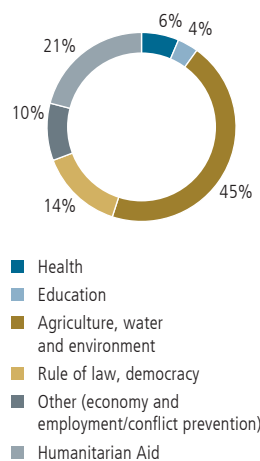
SECO supports Vietnam in its long-term objective of becoming an industrialised country by 2020. Its activities remain focused on improving the management

In Indonesia, the programme to develop sustainable tourism in poor areas of the country was maintained. In 2011, around 50,000 tourists visited the Island of Flores to the east of Bali.

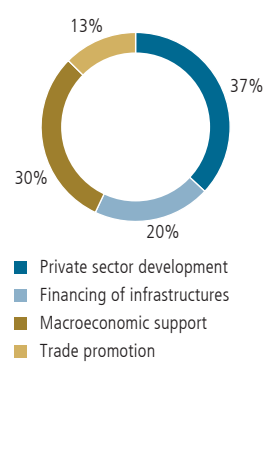
of public finances, with emphasis on greater transparency. This will provide the government and the private sector with better a foundation for decision-making. Reforms – e.g. financial market supervision or simplification of accounting standards – can be approached in a more targeted fashion. Vietnam also receives debt management assistance and support for its export strategy. Special attention is being paid to environmental and social standards. Two project agreements relating to wastewater, waste management and renewable energy should boost Vietnam’s infrastructure sector. Construction of four sewage treatment plants and one waste disposal site is also planned. The aim is to ensure that economic activities do not damage the environment. With regard to promotion of the private sector, a good corporate governance handbook based on corresponding OECD guidelines was produced in 2011.

In Indonesia, reform processes continued in the area of public finance. This included better planning of tasks in the state budget, which gives the government more room for action. The programme to develop sustainable tourism in poor areas of the country was also maintained. In 2011, around 50,000 tourists visited the Island of Flores to the east of Bali. Various national reforms were also implemented to strengthen the private sector. One strategy seeks to make suitable financial services and products available to the general population. In the area of climate protection, a sustainable waste management programme was identified. In addition, a microcredit project reached successful completion. The partner banks involved in the project awarded microcredits for a total of nearly USD 29 million and opened over 50,000 new savings accounts. |

Asia: SDC by themes 2011



Asia: SECO by themes 2011



“ The collapse of socialism changed our lives overnight. After the collective farm let us workers go, my family and I returned to the nomadic lifestyle of our forefathers. We started with two cows and a few dozen sheep and goats. That was all that we had left after the collective went under.

We embraced our new life. As the decade progressed, herds grew steadily, and not just ours. New problems arose due to overuse of pastureland. At the same time, land disputes with neighbours became more frequent. In the past, the state had strictly controlled access to fields.

Then disaster struck. In the great blizzard of 2002, we lost nearly all of our animals. I planted vegetables the following year but then the summer was too dry. It was the potatoes that saved us. I still had 30 sacks after the blizzard and planted every one. I harvested 300 sacks worth and was able to exchange the potatoes for goats. We now have a herd of over 700 animals.

Four years ago, a community fields association was created in our district with support from the SDC's Green Gold project. We immediately joined. A year later, I took over managerial functions. This experience changed

my life. I had only basic schooling and I had never used a cell phone or a computer before!

I convinced the other shepherds to join, but quickly realised that a community fields association would not be enough to solve our problems. Our people needed higher incomes and better access to urban markets. So we founded a marketing organisation, the Schiret cooperative, which now represents the interests of 200 people. The cooperative has three employees working full-time and sixteen working part-time. When hiring, I give preference to people who would otherwise have no chances on the labour market. Nearly all of our employees are women.

We started out with wool, kashmir and meat, but selling raw materials wasn't enough for me. We expanded into dairy and in the first year made a profit of two million Mongolian Tugriks (CHF 1,500). At the agricultural exhibition held in Ulaanbaatar in 2011, we earned distinctions for our felt shoes. We now mail over 100 pairs a month to Japan and Russia. Talk about recognition!

Our success has drawn attention. We were able to obtain a credit line of MNT 45 million (CHF 34,000) from the Mongolian national fund for small- and

medium-sized enterprises for continued expansion of our business. I have never had so many ideas and dreams! The most important thing for me is that our people have work and income. I do my best not to let them down.”



I STILL HAVE SO MANY DREAMS

OYUN TSEVELMA is 48 years old, married and the mother of one son. She lives and works in Undurschireet, a small village in the Mongolian province of Tuv.

KIM NGUYEN THIEN works at the Mekong Housing Bank in Vietnam. The continuing education and training programme implemented by the Swiss Finance Institute (SFI) is intended for bank managers. Funded by SECO, the programme seeks to improve the managerial skills of 70 managers in state banks in Vietnam.

EFFICIENT BANK MANAGEMENT AS A DRIVER OF DEVELOPMENT



“ The Mekong Housing Bank is one of five state banks in Vietnam. I have worked in various positions at this bank for the past ten years. Currently I hold the position of head of personnel.

My employer gave me the opportunity to attend a training course for bank managers. This course lasted two years and was organised by the Swiss Finance Institute. Me and twenty-nine other participants from the south of Vietnam attended the course. There is no comparable training programme anywhere else in Vietnam. And yet, such continuing education and training is important to address the shortcomings of the Vietnamese financial system.

The course was structured into 14 modules covering various subjects that are essential for bank managers. Of course, I was most interested in human resources management, marketing and leadership, since these subjects are particularly important in my current work. I also found risk management to be critical for the Vietnamese banking sector. Generally speaking,

I was impressed by the quality of lessons and the didactical approach used by the instructors.

The course broadened my horizons far beyond human resources management. I now have new tools at my disposal and know how to use them. At the end of the course, each participant was asked to write a report on a project that the bank should pursue. In my case, I would like to establish best practices in human resources management. For this, I intend to introduce performance-based criteria for employee assessments. I would also like to encourage employees to attend continuing education and training courses to develop knowledge and skills in their respective fields. I believe that the training of banking personnel is very important for the development of Vietnam as a whole: well-trained personnel can quickly cater to the needs of our customers.”

Positive economic growth has continued, reaching 4.4 % in 2011. However, this growth has not been uniform: while South America recovered relatively quickly from the financial and economic crisis, growth

Social disparities create an enormous obstacle to development: 10 of the 15 countries with the highest level of disparities can be found in Latin America.

has slowed in Central America and has stagnated in the Caribbean. The main challenge has been improving low levels of productivity compared to other world regions and achieving more sustainable economic growth. This includes less reliance on the exporting of raw materials and greater investment in human capital.

One in every three people, i.e. 180 million people, in Latin America lives below the poverty line and has

Latin America

Switzerland responds to new climate and water challenges and adjusts its development programme accordingly.
Social disparities remain a major obstacle to development.
In the aftermath of natural disasters in Haiti, reconstruction allows people to start over.

to survive on less than USD 2 per day. Social disparities create an enormous obstacle to development: 10 of the 15 countries with the highest level of disparities can be found in Latin America. Corruption and drug trafficking are major security threats for the entire continent. Compared to other world regions, the number of victims of violence remains exceedingly high.

The SDC's development cooperation activities are focussed on Bolivia and Central America. Cuba receives support from a special programme. In Peru, the SDC's development programme has been successfully restructured. Peru now receives support from the SDC's global programmes for climate change and water. SECO has also launched a new economic development cooperation programme, which includes activities in Colombia. Following a decision by the Federal Council in March 2010, more reconstruction and development measures were added to the programme in Haiti.

With implementation of the reform process at the Inter-American Development Bank (IDB), Switzerland supports impact assessments of programmes to ensure the quality of future programmes. The IDB has also been working with governments on new initiatives to overcome crime in the region.

A child rests in Cité Soleil (Port-au-Prince, Haiti) on a mountain of plastic bottles. A real community has grown up around the biggest rubbish dump of the Haitian capital. People look for anything to eat, for materials to build makeshift accommodation, or for anything that they can sell.



Employment and income

In 2011, the SDC once again promoted vocational education and training (VET) and supported small- and medium-sized enterprises (SMEs). Over 3,000 people in Bolivia obtained their VET qualification in various technical and practical occupations relating to agricultural production, traditional craftsmanship and tourism. Nearly half of VET graduates quickly found well-paid work. In Peru, a thousand families joined company networks, which enabled them to more than double their income. At the same time, 1,200 families secured access to food. Improved crop techniques have doubled the potato output per hectare, enabling the families to not only provide for their own needs, but also to sell a total of 350 tonnes of potatoes on the local market.

In Central America, the SDC has helped the rural poor by greatly facilitating their access to financial services. Over 25,000 people – including 19,500 women – have opened savings accounts and taken out microinsurance policies. They are now in a much better position to handle shocks such as illnesses or weather-induced crop loss.

In Cuba, the SDC lends support to economic development at the community level. Since 2007, around 1,900 new jobs have been created – 780 of which have gone to women. In the twelve communities supported, productivity of staple food crops has increased by 62%. This has not only generated additional income for farmer families, it has also brought benefits at the national level: Cuba currently imports 80% of its food and wishes to reduce this level of dependency.

Rural development and natural resources

Preserve biodiversity and increase one's income by 20%: this is exactly what 1,500 families in Peru, Ecuador and Bolivia managed to achieve with the help of an SDC programme. Traditional knowledge of local plant species is activated and plants are produced and processed for the local market.

In 14 Cuban municipalities, the introduction of biogas for cooking has brought many benefits to over 1,000 families. For one thing, over a hundred new jobs have been created. At the same time, productivity levels on over 1,800 hectares of land have increased thanks to organic fertiliser created using the digestate from biogas production. The model has drawn great interest across the country and is now expected to become more widespread.

Access to drinking water in rural areas remains one of the most serious challenges in the entire region. SDC activities have nevertheless been quite successful: in the area around Cusco in Peru, over half of the population now has access to drinking water. In 2007, the proportion was only one-third. In 2011, 11,000 families in Central America were also provided with access to drinking water.

Rule of law

Between 40% and 50% of all women in Latin America are victims of male violence. This violence has serious consequences for the health and well-being of women and also brings major social costs. In Bolivia, the SDC programme has helped 40 municipalities obtain more resources for their counselling centres, where women receive legal and practical advice. In 34 other municipalities, the SDC has provided assistance with the creation and expansion of such

In the area around Cusco in Peru, over half of the population now has access to drinking water. In 2007, the proportion was only one-third.

centres. This has had a decisive impact: in 2011, 27,000 women in Bolivia came forward to press charges against their tormentors.

In Bolivia, new policies are being adopted to tackle the problem of forced labour and serf-like working conditions. SDC experiences are being used to prepare and implement these new policies. Initial success was achieved when around 2,000 Guaraní workers were freed from such conditions. The large landowners were dispossessed of their land, which was then given to the Guaraní people who had worked on it.

In Nicaragua, measures to crack down on corruption have been successful: the SDC contributed to an anti-corruption fund that enabled the state prosecutor to increase the number of processed cases from 40% in 2008 to 98% in 2010. Over 5,000 government employees attended training courses on ethics and corruption. In two-thirds of all municipalities, citizens were shown how to play a greater role in the provision of state services. Switzerland therefore makes an important contribution to improving transparency and has helped to ensure that public funding is optimally used for development projects.

Humanitarian aid

Armed conflict has been ongoing in Colombia for the past 50 years. It has created around four million internally displaced persons (IDPs) and most of the landmine casualties worldwide. Despite the reform processes initiated by President Santos in 2010, the humanitarian cost of the conflict remains enormous, particularly in rural areas.

SDC support is intended to protect affected populations and improve living conditions, particularly for internally displaced persons. In 2011, the SDC's Humanitarian Aid and SHA Department worked through bilateral and multilateral partner organisations to help around 4,600 people to become more aware

of the dangers of anti-personnel mines. Access to basic services – healthcare, water and living space – have improved for over 1,700 families living in remote areas.

Honduras – one of the poorest countries of Latin America – is regularly hit by natural disasters such as hurricanes, floods or earthquakes. At the same time, it is also one of the countries most severely affected by climate change. Working with the Swiss Red Cross (SRC), the SDC seeks to make the popu-

SECO also intensified its activities in Colombia. Thanks to improved business management, 100 family businesses became more competitive and gained easier access to financing. SECO paid particular attention to administrative procedures for building permits. A new law on sustainable construction is currently in the pipeline. Thanks to greater energy efficiency and lower consumption of natural resources, Colombia's CO₂ emissions can be reduced considerably.

In Guatemala, a system to manage territorial data at the community level was completed in 2011. In addition, the study programme for the future land surveying school will be offered as a distance learning (e-learning) option. |

In Peru, a major achievement was the launch of an integrated waste management project in Chiclayo. In future, waste will be sorted, recycled, or disposed of in an environmentally friendly manner.

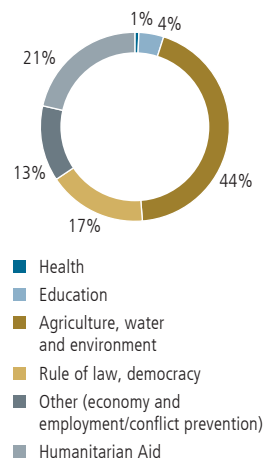
lation less vulnerable to these dangers. Efforts are being made to reduce poverty and improve disaster risk reduction capacities. A successful awareness campaign was launched in around 60 village communities in the department of Olancho. 2,700 families now have a basic understanding of the main dangers and suitable action that can be taken to minimise them. Prevention and civil protection committees were instrumental in reducing the death toll in the most recent natural disasters. In addition, vital public goods were less damaged.

Economic development cooperation

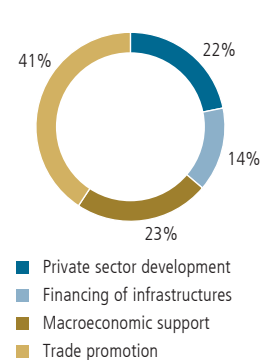
In Peru, SECO has significantly expanded its programme in recent years. A major achievement in 2011 was the launch of an integrated waste management project in the northern coastal town of Chiclayo. Once the project has been implemented, the approx. 120 tonnes of waste produced daily will be sorted, recycled, or disposed of in an environmentally friendly manner. SECO has also been working to improve public finances, which has been welcomed by both the Peruvian government and other donors. The central government has further optimised its management of public finances and taxation. In addition, SECO has helped various regional governments to carry out their financial planning more effectively and transparently.

A programme to improve the investment climate will make it easier to create new companies. This programme includes measures intended to lift administrative hurdles in the tourism sector and facilitate international trade through better management of ports. These measures should reduce the shadow economy in Peru. At the same time, work continued on other projects to improve local export capacities for sustainably produced products such as cocoa, coffee or bananas.

Latin America: SDC by themes 2011



Latin America: SECO by themes 2011



“ I am the Director of the Alcarraza brick factory just outside Medellín. Over the past two years, I have attended various continuing education and training courses on technology and competitiveness. These courses were offered by the national Clean Production Center. It was there that I heard about a Swiss government-sponsored programme that provides financing to small- and medium-sized enterprises wishing to adopt more environmentally friendly technology.

Since I was looking to replace our production facility and wanted to invest in more efficient technology, I applied for financing under the programme. The response was positive since the new production facility could produce bricks at a lower environmental and economic cost. In 2010, I secured a loan of USD 800,000 and in the same year was able to install a brand new furnace.

In 2011, the new production facility consumed 70% less energy than the previous one. We were also pleased

to learn that the quality of the bricks had improved dramatically with fewer production-related losses. This enabled us to break into new markets and bring our company to an entirely different level. The new technology also improved the working conditions of our employees: they no longer need to enter the furnace.”

LUÍS BERNARDO VALDERRAMAS' brick factory qualified for SECO's Green Credit Trust Fund. This financing programme has made SMEs in Colombia, Peru and Vietnam more competitive and has had a positive impact on the environment.

MORE ENVIRONMENTALLY FRIENDLY BRICK PRODUCTION



GEORGE ADONIS lives in Haiti. The builder training course in Petit Goâve was made possible thanks to Haiti's National Vocational Training Institute and SDC funding. Stable buildings are essential in preventing loss of human life and damage to infrastructures in the event of future earthquakes.

BETTER BUILDERS FOR PETIT GOÂVE IN HAITI

“ I work as a builder in the Haitian town of Petit Goâve. In the Competence Centre for Reconstruction, I completed a training course in building techniques. I learnt a great deal from this training and am proud of it. Training content was easy to understand in both the theory classes and practical exercises. The use of new building techniques has completely changed the way I work. The training was an important stepping stone in my career: thanks to the builder qualification issued by the National Vocational Training Institute (INFP), I now work for two international organisations based

in Petit Goâve. I use the new skills on the construction site daily and hope that other workers will register for the training course. Thanks to this training, we now know what good building practices are and have become professional builders!”





After 30 years of conflict, education is not only essential for the economic development of Afghanistan but also for overcoming the conflict as well as for advancing equal opportunities and justice in society (class room in the Shoghnan Region of Badakhshan Province).

Swiss transition aid in the Western Balkans, the Southern Caucasus and Central Asia has led to greater rule of law, democracy and a social market economy. It has also strengthened civil society. In addition, Switzerland has contributed to maintaining stability in politically turbulent regions. It has offered people better

In 2011, eight new water supply systems as well as three wastewater treatment plants were set up to cover the needs of 18 villages in Kosovo.

Eastern Europe and the CIS

opportunities, thereby reducing migration pressures. With its contribution to EU enlargement, Switzerland has worked to reduce social and economic disparities in the enlarged European Union since 2007. Switzerland's enlargement contribution also strengthens bilateral ties with the new EU member states, helps to make Europe safer and more stable, and opens

While countries in the Western Balkans are becoming more politically stable, existing power structures and poor economic prospects in Central Asia stand in the way of faster development. Reform of political and economic systems plays an important role in poverty reduction.

new investment opportunities for Swiss companies wishing to expand their activities to the Eastern side of the European Union.

In 2011, governments in the Western Balkans continued to recover from the financial crisis. By moving closer to the EU, they have become more politically stable. In most CIS countries as well as Georgia, growth has slowed but remains at a relatively high level. At the same time, authoritarian governments block reforms intended to bring greater democracy and a social market economy. Several latent conflicts – such as in the Caucasus region or the Transnistrian conflict in the Republic of Moldova – remain unresolved. Widespread poverty and poor prospects are also fertile ground for conflicts in several Central Asian countries.

Western Balkans – transition aid

In the Western Balkans, SDC programmes have focussed on two themes: promoting the rule of law and democracy; and promoting vocational education and training and youth employment. At the same time, these programmes have made an important contribution to a sustainable water supply.

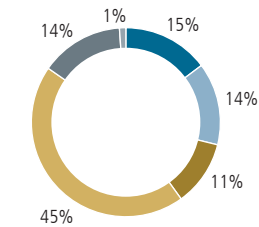
Youth employment

High levels of youth unemployment (as high as 50%) pose a major challenge for all countries of the Western Balkans. Switzerland therefore supports vocational education and training (VET), which brings roughly 5,000 graduates onto the labour market

In Ukraine and the Republic of Moldova, maternal, child and infant health has improved in areas where the SDC has been active.

each year. Better alignment is needed between the supply of qualified workers and the demand for specific skills. The SDC therefore places particular emphasis on closer cooperation with the private sector and training institutions. Swiss dual-track approaches to upper-secondary level VET (i.e. part-time classroom instruction at a VET school combined with part-time paid apprenticeship at a host company) provides valuable experience. In Bosnia and Herzegovina, the SDC initiated a dialogue with 189 organisations (private companies, public and private job placement centres). As a result, it is now clearer what occupational skills are needed on the labour market. In addition, 930 young adults were able to find a job thanks to job fairs. Cooperation – even Internet-based – between public and private job placement centres plays an important role. Plans are currently underway for larger-scale projects in Kosovo and Albania in 2012.

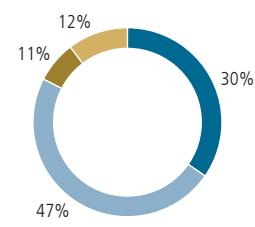
Eastern Europe/CIS: SDC by themes 2011¹



- Health
- Education
- Agriculture, water and environment
- Rule of law, democracy
- Other (economy and employment/conflict prevention)
- Humanitarian Aid

¹ Excl. contribution to EU enlargement

Eastern Europe/CIS: SECO by themes 2011¹



- Private sector development
- Financing of infrastructures
- Macroeconomic support
- Trade promotion

¹ Excl. contribution to EU enlargement

Water and environmental education

Secure water supply is an essential requirement for social stability and economic growth. In 2011, eight new water supply systems as well as three wastewater treatment plants were set up to cover the needs of 18 villages in Kosovo. As a result, a total of 45,000 people now have access to sufficient supplies of drinking water. The government of Kosovo has established the responsibilities of regional water companies and their obligations to local communities. A water committee that received partial Swiss funding did the important preliminary work. With SDC support, a national report was drafted on water company performance. In 2011, the proportion of the population with secure access to water increased by 5% and billing for water increased by 6%. 30% of the population still lacks access to the public water mains network, and 36% of all water bills have not been paid.

In Macedonia, environmental education has been included in the syllabus of public schools. Among other things, greater environmental awareness is important for the development of tourism.

Economic cooperation

One of the priorities for SECO in the Western Balkans has been to provide funding for infrastructures in the areas of energy, water and wastewater treatment. In Albania, the programme in 2011 included a new water supply and wastewater treatment facility in Lezha. 46,000 people now have better quality drinking water. A new project enables monitoring of dams along the Drin and Mat Rivers. In Bosnia and Herzegovina, the water project in Prijedor was successfully completed. 74,000 people now have access to clean drinking water.

In order to strengthen the economies of partner countries, SECO provides funding for projects to improve the investment climate, manage public finances more transparently and promote trade. In Serbia, the project to assist the Ministry of Finance with budgeting processes was successfully completed. SECO is also helping Serbia to implement EU directives on the management of public finances. This is needed in order to meet the general requirements for future adherence to the EU.

Commonwealth of Independent States – transition aid

Water and rural development

In 2011, the SDC helped to improve irrigation systems on 250,000 km² of territory in the Central Asian Fergana Valley, where three million people live. 4,000 farmers received training on how to efficiently manage water resources. Efforts to involve as many

water user groups as possible in a given area (integrated water resource management) now have a legal basis in Tajikistan. 160 water user groups were created to manage water for agriculture. Since 2009, 13,000 people in the Republic of Moldova now have access to drinking water and basic sanitation. Over the past four years, in Central Asia, the numbers have reached 95,000 people in rural areas and 250,000 people in urban areas.

In Armenia, the number of farmers using veterinary services has sharply increased. As a result, milk production in the areas concerned has risen by 15%. The average income of farmers has once again increased by 10%. In Georgia, the SDC was asked by the Danish Ministry of Foreign Affairs to supervise a rural development programme worth CHF 11 million. All things considered, the various projects are to help 400,000 people in Georgia, 45,000 people in Armenia and 50,000 people in Azerbaijan.

Health and social development

In Kyrgyzstan and Tajikistan, the SDC has helped to ensure that basic healthcare and family medicine are included in health strategies. Thanks to the creation of 1,420 village committees in Kyrgyzstan and the deployment of 1,000 volunteers in Tajikistan, people have now become more aware of health issues.

Expenditures for basic public healthcare services have risen. In 2011, training was provided to around 60 family doctors and 135 nurses in Tajikistan. In the regions benefitting from the SDC's projects, the incidence of Brucellosis has been cut in half. At the same time, the number of cases of children with anaemia has fallen by 20%.

In Ukraine and the Republic of Moldova, maternal, child and infant health has improved in areas where the SDC has been active. In the Republic of Moldova, the national healthcare system has been restructured. Emergency medicine and intensive care for children are now provided at the level of the autonomous regions. In the northern and central parts of the country, the quality of medical services and infrastructure has improved. Usage has also increased by 15%. In addition, a mental health module has been added to the medical training programme for doctors. Various SDC project innovations have been adopted in government ordinances, e.g. development of perinatal medicine in Ukraine.

In Tajikistan, around 5,400 people receive legal advice each year, mainly for ownership and inheritance disputes. Around 2,350 victims of domestic violence – mainly women – receive support from specially created centres.

Economic cooperation

In response to strong currency devaluations, SECO took part in local currency lending initiatives and efforts to strengthen local capital markets in CIS

countries. In order to further limit credit default risk, regional programmes were launched to develop credit bureaus and certify risk managers. In Tajikistan, licensing rules are being simplified for small- and medium-sized enterprises (SMEs). The number of regulations is expected to fall from over 600 to under 100. This will save SMEs over USD 10 million each year.

In Central Asia, SECO helped over 20 textile companies improve their productivity and gain access to foreign markets. Several companies were able to take part in international trade fairs and negotiate new contracts.

In the area of infrastructure funding, emphasis was placed on improving the quality of water and introducing cost-covering fees for water supply. 40,000 people in

In Central Asia, SECO helped over 20 textile companies improve their productivity and gain access to foreign markets.

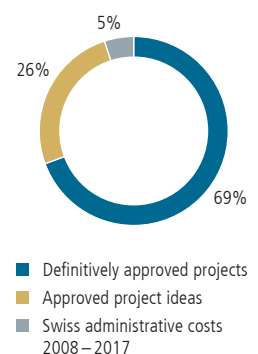
Tajikistan and 70,000 people in Kyrgyzstan now have access to better quality drinking water. In Ukraine, the tremendous waste of resources has once again made energy efficiency an important objective.

Central Europe and the Baltic countries – Swiss contribution to EU enlargement

Implementation of Switzerland's contribution to EU enlargement is well underway. By the end of 2011, Switzerland approved 144 projects worth CHF 695 million in the ten countries that joined the EU back in 2004. Projects include such things as: modernising 22 public hospitals to improve the quality of healthcare in Lithuania; launching a micro-credit programme in Latvia to improve SME access to capital funding; and sustainably preserving and protecting ecosystems in Slovakia. In Poland, which receives nearly half of all enlargement contribution funding, ten projects were sponsored in the less developed south-eastern part of the country. These projects seek to reduce regional disparities and tap existing local development potential (e.g. local products and tourism).

Swiss expertise was brought to bear in the first environmental and social partnership projects in the Czech Republic and Slovenia. Since 2009, Switzerland has lent support to Bulgaria and Romania, which joined the EU in 2007. In 2011, the first projects were approved in the areas of security, research, education, public transport and promotion of civil society. |

Financial absorption of the enlargement contribution, as at end 2011



“ My education has always been important to me since most Roma in Paracin lack even basic schooling. I wanted my family and me to have a dignified life. After graduating from baccalaureate school, I planned to study Serbian language and literature at university. However, things turned out differently.

One day I saw a television programme about a Red Cross project in Paracin to help disadvantaged children. They were recruiting so I applied for the job. Children from poor families have few prospects. They live far from schools, their parents are poorly educated and often unemployed. I wanted to help these children complete their schooling and take those first steps towards a better life.

In the beginning, I was not quite up to the task: it is not easy working with children who have grown up in an entirely different environment from most other Serbian children. My lack of experience made me unsure. But this would soon change: my interest

in working with children grew and it became clearer to me that this was my true calling. So I decided to pursue a training programme for primary school teachers in Krusevac. The experience that I had gained while working with the project in Paracin proved useful. I pushed myself to complete training as quickly as possible because I knew that these children needed me.

Many of the children in the project have made learning progress. Over the past few years, we have taught over 80 children in the primary school and many have earned very good marks. We are very proud of this.



EDUCATION FOR ROMA CHILDREN IN SERBIA

Kindergarten teacher VIOLETA NIKOLIC comes from a Roma family in Paracin. The SDC-funded programme for Roma children and disabled children in Serbia seeks to integrate the poorest population segments into the school system by 2015.



TOLOGON JAMALOV lives in Kyrgyzstan. He received advice from an expert trained under the Business Advisory Services Programme, which is sponsored by the European Bank for Reconstruction and Development (EBRD). SECO provides funding for this programme, which helps companies find local advisors to develop their business plans.

BIOGAS INSTEAD OF FIREWOOD IN KYRGYZSTAN



“ I work as a farmer in a remote region of the Naryn province of Kyrgyzstan. I spend the summer on pastureland in the Kochkor region, in a gorge called Kurgak. This pastureland is particular in that the weather changes here are frequent. I need firewood to cook and heat my tent. Wood is rare in the mountains and it is very time-consuming to gather.

One day, I heard about biogas technology. Biogas would allow me to work efficiently and lower my production costs. However, the only sources of biogas that I knew of came from fixed facilities, which I had to exclude as an option. So I came up with the idea of creating a mobile biogas unit that I could easily transport to my summer pastureland. I contacted a well-known supporter of biogas technology for advice about my new idea. And I won him over. An old Soviet-era tank lorry was used to get the project started.

This is how I came upon Kyrgyzstan's very first mobile biogas unit, which is also equipped with a solar panel to heat water. It produces methane gas, hot water and fertiliser.

The principle is simple: the reactor is filled with animal dung, which then ferments. The mobile biogas unit can process 300 kg of dung per day and produces nearly 60 tonnes of organic fertiliser and 1,800 m³ of biogas each year.

I am very pleased because the unit makes it easier for me to heat my tent and cook my food. I use the fertiliser in my vegetable garden and this makes the soil more fertile. Other farmers have shown great interest in the technology.

I would now like to convince my advisor to help me build a mobile wind turbine. That would make my life even easier since electricity supply to farmhouses is often unreliable and there is no electricity in the fields.



Multilateral cooperation

Multilateral and bilateral cooperation are complementary. Strong multilateral organisations are needed to negotiate global climate and environmental standards, contain epidemics or handle crises and natural disasters. Switzerland actively contributes to the shaping of their policies.

Global challenges affect the development prospects of poor countries and their relevance to poverty reduction is increasing. Multilateral organisations have the technical and financial volume, weight and experience needed to successfully coordinate and implement measures at both the national and international levels. The international financial institutions (World Bank, regional development banks), UN institutions and global networks strongly influence the policies of governments in poor countries.

Multilateral organisations are important sources of knowledge and know-how. As a case in point, the World Bank's World Development Report for 2011 is devoted to the theme conflict, security and development. The report includes recommendations on how to overcome fragile situations and encourage sustainable development. In another report, the World Bank underscores the key role that women play in development processes. Gender equality has a positive impact on economic growth.

Swiss participation

Switzerland helps to overcome global challenges. It contributes funding to international financial institutions and UN institutions and holds seats on their governing and supervisory bodies. This enables Swiss interests to be considered in decision-making processes. The SDC and SECO are able to influence the policies and programmes of multilateral organisations in the area of poverty reduction, crisis management and response to global challenges. In February 2011, the Swiss Parliament decided to increase official development assistance to 0.5% of gross national income by 2015. This includes an

additional CHF 272 million for Swiss participation in the African Development Fund, the United Nations Development Programme (UNDP) and multilateral debt relief initiatives.

Negotiations for the 16th replenishment of the World Bank's International Development Association (IDA 16 replenishment) were completed successfully. In 2011, the Federal Council approved a contribution of just under CHF 600 million for IDA 16 to cover the next three years.

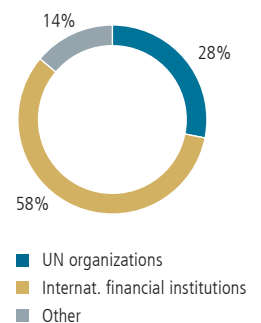
Greater cooperation in crisis situations

In 2011, the World Bank and the UN system decided to cooperate more closely in crisis situations. The financial and technical resources needed to overcome crises and protect the most vulnerable population groups can thereby be better coordinated and made more effective. Switzerland has lent support to coordination efforts, particularly in fragile contexts and conflict situations.

For the past few years, multilateral organisations have gone to great lengths to improve efficiency and report on the results achieved. Switzerland is a partner of the Multilateral Organisation Performance Assessment Network (MOPAN).

Switzerland actively contributes to the reform of the UN system. In 2011, Switzerland helped to prepare a Resolution by the United Nations Economic and Social Council (ECOSOC) on results-based management of operational activities and the theme "transition in post-conflict countries". As a principal organ of the UN system, ECOSOC coordinates the economic and social activities of various UN institutions.

Swiss multilateral ODA 2011



The “green economy” and poverty reduction

In 2011, in preparation for the UN Conference on Sustainable Development (Rio+20), Switzerland submitted proposals on how the green economy concept could be implemented. It highlighted development policy aspects such as sustainable agriculture and food security, sustainable water management and energy supply as well as the sustainable stewardship of ecosystems. Rio+20 will take place in Rio de Janeiro in June 2012. In addition to the need for a “green economy” for sustainable development and poverty reduction, discussions will also cover institutional requirements for sustainable development.

Multilateral humanitarian aid

Two-thirds of available Swiss humanitarian aid resources go to the International Committee of the Red Cross (ICRC), various UN institutions and regional institutions. Switzerland provides both financial and material support. The SDC’s Humanitarian Aid and SHA Department also assigns experts to assist multilateral organisations, e.g. in matters relating to drinking water or logistics.

As a member of the United Nations, Switzerland plays an active role in International Humanitarian

Law (IHL) and the preservation of humanitarian principles such as neutrality, independence and impartiality. Throughout the UN reform process, Switzerland has contributed to international community efforts to: improve coordination of humanitarian interventions; consolidate aid mechanisms at the international, national and local levels; and achieve aid effectiveness. In 2010–2011, Switzerland chaired the Good Humanitarian Donorship (GHD) initiative, where 39 donor countries agreed to put into practice humanitarian principles and operational good practices in humanitarian aid worldwide. Through this chairmanship, SDC’s Humanitarian Aid and SHA Department strengthened Switzerland’s commitment to exert greater influence at the international level. Switzerland places special emphasis on protecting civilians in armed conflicts and implementing humanitarian principles in daily activities. The GHD initiative makes it possible for humanitarian donors to align their interventions with one another.

The SDC’s Humanitarian Aid and SHA Department works mainly with selected partner organisations, including the International Committee of the Red Cross (ICRC), the World Food Programme (WFP), the Office of the United Nations High Commissioner for Refugees (UNHCR), the UN Office for the Coordination of Humanitarian Affairs (OCHA) and the United Nations Children’s Fund (UNICEF). |

Now ten years old, SAÏFATH is one of the children taken care of at the UNICEF-sponsored “Laura Vicuna Center for Child Rehabilitation” in Cotonou, Benin. The institution also works to socially reintegrate children with their immediate families or place them with relatives. In order to avoid dramatic situations such as the one that Saïfath went through, Benin – with UNICEF support – adopted a national child protection policy. It also enacted legislation and associated implementing provisions to prohibit child labour. Switzerland supports UNICEF’s global activities with an annual contribution of CHF 20 million.



“I HAD TO SELL SHOES BUT NEVER WORE ANY MYSELF”

“ I was born into a poor family in Kpédékpo, a town located in the southern part of Benin. When I was five years old, my father placed me into the care of a tutor in the town of Cotonou. This person promised my father money and said that I would have a better life. However, when my father saw that I was mistreated and money never came, he placed me with two other tutors. Each time, the same thing happened and he would bring me back home. When I was eight years old, an aunt promised to send me to school in Cotonou. My parents let me go with her. But she did not keep her promises either. Every day I had to first do household chores and then accompany my aunt to sell shoes at the market. I was always barefoot. She fed me cassava only once a day and so I was often hungry. In the evening, I had to go back to working in the house. When I wasn’t obedient,

she would beat me. I was very thin and was always tired and sad.

One day, a neighbour at the market asked me why I looked so tired. My aunt overheard the conversation and punished me that evening for it. The following day, my eyes were swollen and one of my arms was broken. The women at the market separated me from my aunt. Two hours later, someone from child protection services came by to take me to the shelter where I now receive enough to eat, am never beaten and can go to school.





Chaiwan Khalaf Mohammed, 11, stands on the roof of her house in the mainly Kurdish area of Iraq. While satellite dishes and televisions are cheap, diesel for the generator is too expensive. The villagers pool their money to buy enough fuel to drive the community generator everyday for just an hour or two.

Through its global programmes, the SDC has worked within international bodies and multilateral funds to propose solutions. It has launched innovative pilot projects to influence policies, even in emerging countries. The SDC also works closely with specialised federal agencies in Switzerland. In 2011, SECO focussed on climate change, water and migration. These global programmes complement Swiss bilateral and multilateral cooperation. Starting in 2013, even more importance will be given to these global programmes.

Global challenges

Global challenges such as climate change, food security, water shortages and migration cannot be resolved by any one country acting alone within the confines of its own national borders. International cooperation and new working methods are needed to overcome these global challenges.

Climate change

Development dynamics in Asia, Africa and Latin America have been seriously affected by climate change, which can reverse development progress made. Increasingly, climate adjustment and poverty

reduction go hand in hand: diversification of income sources in rural regions not only minimises the impact of climate-induced crop loss, it also reduces poverty.

National progress towards climate adjustment and reduction of CO₂ emissions compensate for the fact that global climate rules are still weak. In India, the SDC organised a multi-level dialogue on the effects of climate change. This made it possible for the experiences of the population to be shared at the highest political level. The initiative was praised and culminated in the submission of a national action plan to the parliament. The climate proposals will also be included in preparations for India's new five-year plan for 2012–2016.

A high-ranking delegation of Chinese climate experts visited Switzerland in 2011 to gather information on how legislation could be drafted to tackle the problems of climate change and CO₂ emissions. Access to Swiss environmental experiences will enable China to make informed climate-policy decisions and avoid making mistakes from the outset. Both the Chinese-British-Swiss climate adjustment programme and SDC-sponsored work with climate friendly towns are a source of ideas. While low-carbon development was not even considered in China's five-year plan for 2006-2010, it is now a priority in the new five-year plan for 2011–2015. Since 2011, SECO has supported implementation of this plan by preparing reliable figures on the energy efficiency of consumer goods.

In 2011, SECO intensified its efforts to eradicate the causes of climate change. Together with the World Bank, SECO promotes the sustainable management

of rain forests, the more widespread use of renewable energy in poorer developing countries (Ethiopia, Honduras, Kenya, Mali and Nepal) and the introduction of climate-friendly technologies in industry, transport and construction. Funding for this comes from international emissions trading (IET). In Romania, district heating systems were modernised first in Iași and now in Bucharest. The greater energy efficiency has lowered emissions of greenhouse gases. At the same time, the 2.25 million inhabitants in these two towns now live better thanks to reliable and competitive district heating and hot water supply.

Food security

Around a billion people suffer from hunger, and far more from undernutrition and malnutrition. Population growth and climate change place a greater burden on arable land and food production. In emerging countries, limited access to food remains one of the causes of political upheavals. At the same time, land and food are increasingly drawing investors and speculators.

The production and reliable distribution of food are difficult undertakings. The SDC's Global Programme Food Security supports agricultural research and advisory services, both in Switzerland and abroad. This is done to consolidate the position of public institutions and establish networking ties. In Asia, SDC support over the past fifteen years has enabled 500,000 rice farmers to sustainably increase their income.

The FAO Committee on World Food Security has made initial progress towards – currently voluntary – global governance of land investment thanks to the direct involvement of farmer organisations in developing countries. The SDC has lent support to this process.

In Asia, smallholder farmers have been able to take out insurance policies to compensate for loss of income arising from droughts or flooding. In Uganda and Zimbabwe, smallholder farmers have used mobile technologies to improve their access to advisory services. In order to ensure sustainable plant health, cooperation between researchers and consultants in several countries has improved thanks to the creation of plant clinics in local villages. Experiences will later enable these projects to be replicated in other countries that face difficult natural and political conditions.

Through work with specialised Swiss and international research institutes, the SDC's Global Programme Food Security helps to ensure the sustainability of smallholder farming structures, which are an important driver of rural economic growth.

Migration

Migrants account for 3% of the world's population – or around 214 million people. Women account for half of the migrant population. 16 million are refugees and around 26 million are internally displaced

persons. The International Labour Organization (ILO) estimates that 90% of all migration is for the purposes of finding work.

Each year, migrants send over USD 325 billion to their families back home. These remittances, combined with the job skills that these migrants bring when they return home, make an important contribution to poverty reduction.

Those involved in international cooperation recognise this and have increasingly begun to include migration in their programmes. This should help to reduce the negative consequences of migration such as exploitation. At the same time, it should enable the potential of migration to be used more effectively for development. There is still a need for better alignment of economic, migration and development policies.

In 2011, Switzerland chaired the Global Forum on Migration and Development, which was a good platform for in-depth international discussion of topics such as labour migration, irregular migration and migration policy instruments. In many countries, including Switzerland, such discussions have helped to change the perception of migrants, i.e. no longer as persons in need of protection but rather as development actors.

The SDC supports implementation of comprehensive labour market policies in Nepal, Bangladesh and Sri Lanka. In the Middle East, it seeks to obtain legal

In Asia, SDC support over the past fifteen years has enabled 500,000 rice farmers to sustainably increase their income.

protection for labour migrants so that they may help friends and family in their countries of origin, thereby contributing to poverty reduction.

A new migration partnership with Nigeria has significantly improved bilateral relations and eased tensions over asylum issues.

SECO uses the potential of migration in a targeted manner to further economic development in countries of origin. As a case in point, the Start-up Fund (SSF) enabled a Swiss-Bosnian investor to establish a sewing shop, creating 180 jobs in the process.

Water

In the summer of 2011, the Horn of Africa suffered a serious drought. This regional crisis is symptomatic of increasing water shortages worldwide. In many locations, water shortages have already given rise to social and intergovernmental conflicts.

Under the title "Blue Peace", the SDC set a process in motion that allows Middle Eastern countries to work together to manage water across national boundaries. A first round table meeting held in Geneva

drew international attention, including in the countries concerned. Participants at the meeting laid the foundations for the creation of a common water agency for all countries.

The SDC's new "Water Diplomacy" programme helps to provide water authorities with more reliable information and better negotiating capacities in twelve major cross-border water catchment areas. Intergovernmental water agencies have already been established in five East African water catchment areas. This ensures that the authorities have solid information at their disposal, which facilitates negotiations over the shared usage of rivers.

In Central America and West Africa, 6,000 farmer families now use drip irrigation systems, which have enabled them to increase both the quantity and quality of their produce. In Central America, drip and sprinkler systems are already manufactured and sold locally. The continuity of the programme is assured, even without SDC support.

In the town of Prijedor in Bosnia and Herzegovina, SECO has sought to improve the quality of water supply. SECO has been instrumental in providing 74,000 people with access to more and better quality water by laying pipes to new sources of water, servicing the existing water mains network and introducing cost-covering fees for water consumption. 23,000 people have also returned to their homes. Successful reintegration requires a reliable water supply.

Economic governance

Economic governance includes all measures taken to encourage responsible and transparent economic activities. It is an important prerequisite for long-term growth and employment as well as an effective means of fighting corruption. For this reason, the promotion and consolidation of economic governance is an essential part of Swiss economic development cooperation. Special emphasis is placed on globally coordinated initiatives such as the Extractive Industries Transparency Initiative (EITI). With the EITI, multinational companies publish the amounts paid to governments for mining concessions in developing countries.

At the same time, governments publish the amounts received from multinational companies for these mining concessions. Thanks to SECO-funded studies on tax revenues from the Peruvian mining and oil industry, Peru was the first country in Latin America to achieve EITI-compliant status. Switzerland's commitment was praised by the Peruvian government as well as at the international level. |

Under the name "IDEal Tecnologías", International Development Enterprises (IDE) has created a social enterprise that produces locally affordable drip irrigation systems and foot pumps. It also offers villagers the opportunity to buy into a sustainable retail supply chain. IDE receives funding from the SDC and the Swiss supermarket chain COOP (which has its own sustainability fund). Drip irrigation can reduce water consumption by up to 70%, which is a significant contribution considering the looming water crisis in many areas. The SDC's Global Programme Water has launched the worldwide production and marketing of such systems.



USING DRIP IRRIGATION TO GET THROUGH THE DRY MONTHS

“ My name is Abraham Zeledón. I work for the Fair Trade association UCA San Ramón near Matagalpa, which is the heart of coffee bean production in Nicaragua. Right now, coffee prices have never been so high. However, our farmers know that the next collapse in prices is just around the corner. We therefore encourage diversification of income away from coffee bean production. By maintaining a vegetable garden, coffee farmers are able to increase their income and distribute it more evenly through the year.

Coffee bean production generates income only over a five-month harvest season. For the remaining seven months, coffee farmers have only expenses, mainly for such things as fertiliser. During the lean months, many of our families have to tighten their belts to the extreme and very often go hungry. There is far too little money earned to send children to school. We are now testing cost-efficient

drip irrigation systems from IDEal Tecnologías in our vegetable gardens and intend to resell the systems to our members. We hope this will soon put an end to the lean months in the coffee business and that we no longer have to deal with hunger. ”

“ My name is Celia Sandoval and I live in Tipitapa, near Managua, Nicaragua. At home I have nine hungry mouths to feed. Last spring, I bought two small drip irrigation systems for 300 Cordobas (CHF 15) for my vegetable garden at home. I now harvest tomatoes and pepperoni worth over CHF 100. I don't sell these vegetables since they are all eaten at home, but at least I no longer have to buy any more. ”

Violent confrontations between government supporters and the opposition in 2011 have claimed many lives in Yemen. Refugees and migration from the Horn of Africa, widespread poverty and insecurity, as well as the lack of water add to the hardship of daily life for the people.



Partnerships

The SDC and SECO work closely with non-governmental organisations (NGOs), the private sector, research institutions and other partners. This enables various skills and experiences to be shared in a spirit of international cooperation.

Switzerland needs non-state actors as well as service providers and experts from the private sector to reach its international cooperation objectives. Such partnerships can also contribute to a greater understanding of development issues among politicians, businesses and society.

Partnerships with NGOs are not limited to programme cooperation. They also include the extensive exchange of knowledge as well as development policy dialogue. Partnerships with the private sector enable business resources, knowledge and skills to be used to further development objectives. They also encourage development friendly business models.

The SDC is currently working with NGOs to implement a new tendering procedure for programme contributions. All partnerships have been reviewed. Criteria for selection of NGOs include knowledge and skills, organisational structure as well as management and benefit systems. The review of knowledge and skills has been separated from negotiations on contributions. This has made it possible for negotiations to be more centred on programme content. The new tendering procedure lays the foundation for closer cooperation with NGOs, which will enable civil society to make an even better contribution to poverty reduction, social justice, democratic processes and the preservation of global public goods. The Council of States' Control Committee gave a positive assessment of SDC measures taken in relation to the issuance of contracts and contract negotiations. The result has been greater traceability and transparency in the awarding of contributions.

In its partnerships, SECO gives importance to continuity. Work continued with Swiss higher education institutions in the area of public finance, economic policy and trade policy. SECO renewed the mandate given to the Swiss Office for the Development of Foreign Trade (OSEC) to promote imports from developing countries. Public-private partnerships in infrastructure and private sector promotion were also maintained. |

Organisational aspects

The SDC has delegated managerial tasks to field offices. The restructuring process will reach completion by the end of 2012. SECO has also further optimised cooperation between headquarters and field offices.

The quality of programmes and projects has improved thanks to continuing education and training, as well as closer cooperation not only within thematic networks at SDC, but also between the FDFA and other federal agencies on specific themes. Greater emphasis was placed on impact considerations in the planning of cooperation programmes and projects as well as on annual reporting from field offices. Responsibility for operational implementation, local financial management and administrative tasks was delegated to field offices. Improvements were made in the area of internal risk management.

Switzerland's presence on the ground was strengthened and allocation of tasks between headquarters and field offices continued. In the future, priority will be to provide project partners with institutional support to achieve greater effectiveness.

More contracts for outsourced services will be awarded on a competitive basis. In order to improve transparency and competition, contracts worth CHF 20,000 to CHF 150,000 will also be published on the Internet, even though they are not subject to competitive awarding procedures.

During a visit to the SDC in October 2011, an FDFA-DDPS subcommittee of the National Council's Control Committee gathered information about measures taken and the results of the restructuring process.

The heads of the SDC's Regional Cooperation, Global Cooperation and Humanitarian Aid and SHA Departments were replaced.

SECO further consolidated its project portfolio in its seven priority countries in the South (Ghana, Egypt, South Africa, Peru, Colombia, Vietnam and Indonesia) on the basis of the economic cooperation strategy adopted by the Federal Council in 2009. Importance was given to the systematic assessment of programmes. More staff was assigned to the priority country of Egypt as well as to Tunisia. In order to ensure that cooperation remains focused on achieving results, guidelines have been established requiring an optimal distribution of tasks between headquarters and field offices in the East and the South. |



Fragile The selection of photos in the Annual Report 2011 turns the spotlight on people living in fragile contexts: lives marked by uncertainty, and tenuous existences. At the same time, the pictures are concrete political portrayals of the current situation in numerous developing countries. And they bear witness to the fact that everyday life goes on – indeed it must go on – even in fragile circumstances. Only the future will show whether or not the dreams and the commitment of a large number of individuals – both those directly affected and those on the outside – will generate a common force capable of overcoming the fragility reigning in these countries.

Imprint

Publisher:
Federal Department of Foreign Affairs FDFA
Swiss Agency for Development and Cooperation SDC
Freiburgstrasse 130
3003 Berne
Phone +41 31 322 44 12
www.sdc.admin.ch
info@deza.admin.ch

Federal Department of Economic Affairs FDEA
State Secretariat for Economic Affairs SECO
Holzikofenweg 36
3003 Berne
Phone +41 31 324 09 10
www.seco-cooperation.admin.ch
info@seco-cooperation.ch

Editing/Coordination/Statistics:
SDC Staff of the Directorate
SECO Cooperation

Graphic Design/Concept:
Bruno Caderas, Zurich
www.caderas.ch

Photos:
Cover Antonio Bolfo/Getty Images
Page 8 Adam Ferguson/VII
Page 10 Fernando Molerés/Panos
Page 16 Seamus Murphy/VII
Page 20 Gopal Chitrakar
Page 26 Antonio Bolfo/Getty Images
Page 30 3rd Eye Photojournalism Center/Basir Seerat
Page 37 Peter DiCampo/VII Mentor Program
Page 41 Samuel Aranda/Corbis

Project Photos:
Page 14 SDC
Page 15 SDC/Troisi Del Medico, Hammam Amro
Page 19 SECO
Page 24 SDC, SECO
Page 29 SECO, SDC
Page 34 SDC, SECO
Page 36 UNICEF
Page 40 SDC/Urs Heierli

Print:
Werner Druck AG
4001 Basel

The Annual Report is available in English,
German, French and Italian.
Copies may be ordered from
info@deza.admin.ch, or
phone +41 31 322 44 12

Berne 2012

Statistics 2011

Swiss International Cooperation



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC

State Secretariat for
Economic Affairs SECO

This booklet is divided into two main sections:

- Statistics on Swiss official development assistance
- Use of funds dedicated to international cooperation by the Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (SECO, Economic Cooperation and Development Division).

Official development assistance (ODA): clarifications

- Official development assistance (ODA) is defined on the international level as the total of all financial flows to developing countries and territories (currently 148) and to multilateral development organisations (i) from the public 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 23 member countries, 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 updated.
- **Swiss ODA** contributions contain mainly the SDC and SECO 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, for several years Switzerland has also been declaring bilateral debt relief measures (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.

Technical notes

- Not all annual SDC and SECO expenditures that appear in the Confederation account are automatically reproduced in the ODA statistics. Certain statistical adjustments are made in order to comply with the international directives (not included are disbursements intended for countries and organisations that are not on the list of developing countries, different notification practices for specific multilateral contributions).
- The financial involvement of the SDC and SECO in the enlargement of the European Union (EU) is not reflected in detail in this booklet. This contribution is not ODA-eligible (see www.contribution-enlargement.admin.ch).

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.sdc.admin.ch/en/Home/About_SDC/Facts_and_figures
www.seco-cooperation.admin.ch

Swiss official development assistance (ODA)

Page 4–15

SDC/SECO expenditures

Page 17–31

Table 1

Development of Swiss official development assistance (ODA) and NGO donations 1960–2011 (mil. CHF)

	1960	1970	1980	1990
ODA	15.1	130.0	423.1	1041.4
Confederation	15.1	126.4	416.7	1025.6
Cantons and municipalities ^a	..	3.6	6.4	15.8
Gross national income (GNI) ^b	37 066	92 570	177 270	326 102
ODA as % of GNI	0.04%	0.14%	0.24%	0.32%
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%	0.05%

a Estimate for 2011.

b GNI from 1995, GNP for preceding years.

Definitive figures up to 2008, provisional for 2009 and 2010 (Swiss Federal Statistical Office, sept. 2011).

For 2011, estimate from Federal Finance Administration (January 2012).

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

	2000	2007	2008	2009	2010 ^r	2011 ^p
ODA	1510.9	2021.5	2234.0	2503.9	2398.0	2736.0
Confederation	1488.6	1982.4	2191.3	2460.0	2350.4	2684.0
Cantons and municipalities ^a	22.3	39.1	42.7	43.9	47.6	52.0
Gross national income (GNI) ^b	450 327	526 226	508 576	554 993	593 037	601 253
ODA as % of GNI	0.34%	0.38%	0.44%	0.45%	0.40%	0.46%
ODA as % of expenditures by the Confederation	3.21%	3.75%	3.95%	4.30%	4.05%	–
ODA as % of public spending ^c	1.23%	1.38%	1.49%	1.71%	1.60%	–
Private NGO donations	272.0	424.7	436.4	380.9	431.6	–
Private NGO donations as % of GNI	0.06%	0.08%	0.09%	0.07%	0.07%	–

See time series:

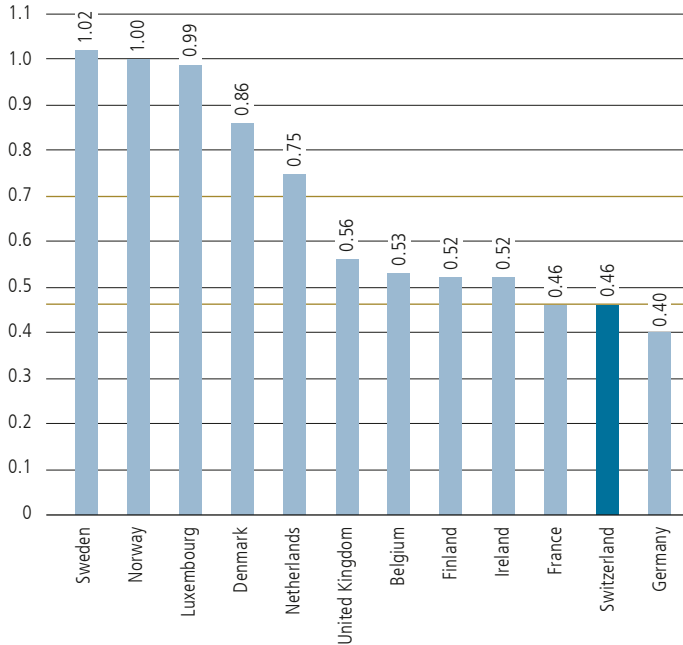
www.sdc.admin.ch/en/Home/About_SDC/Facts_and_figures/ODA/ODA_development

Following a decrease in 2010, the volume of Swiss official development assistance (ODA) rose by 13.2% in real terms in 2011. 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% by 2015. Higher costs for the stay of asylum seekers in Switzerland and stronger bilateral debt relief operations also contributed to the ODA increase.

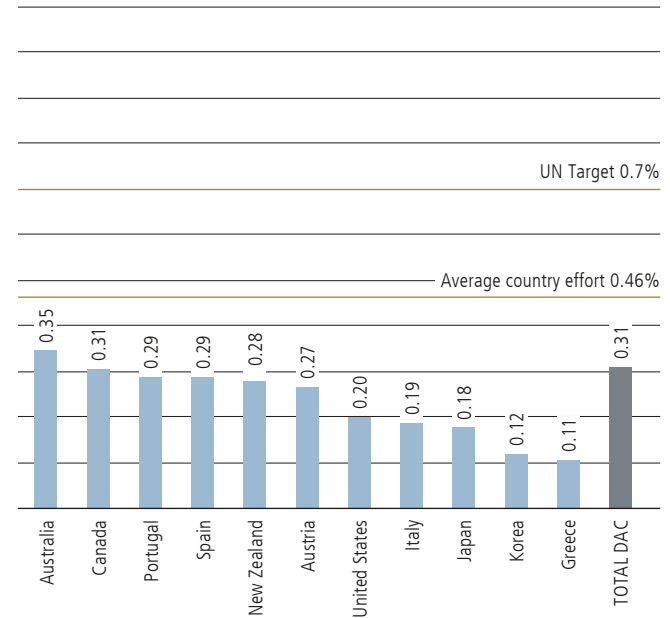
In 2011, expressed as a percentage of gross national income (GNI), for the first time ODA went up to 0.46%.

Graph 1

Switzerland's performance compared with other countries 2011
(ODA as % of GNI)



Preliminary data published by OECD/DAC 4 April 2012 for all DAC countries.



Provisional data of OECD's Development Assistance Committee (DAC) show that ODA of the 23 member countries dropped by 2.7% in real terms after a steady increase over more than a decade. In volume, ODA amounted to US\$ 133.5 billion. The DAC average country effort fell from 0.49% in 2010 to 0.46% in 2011. Five countries have exceeded the ODA target of 0.7% set back in 1970 by the United Nations and four other countries are situated above the average DAC performance. With its ODA/GNI ratio of 0.46%, Switzerland improved its ranking (place 11 in 2011 against 12 in 2010).

Table 2

**Swiss official development assistance (ODA)
in 2010–2011 (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	
Debt relief (Club of Paris)	
Federal Office for Migration (FOM)	
Return assistance	
Assistance for asylum seekers in Switzerland	
Federal Department of Foreign Affairs (FDFA)	
Conflict transformation and human rights	
Other	
Federal Department of Defence, Civil Protection and Sports (DDPS)	
Activities for promotion of peace and security	
Supplies for humanitarian purposes	
Federal Office for the Environment (FOEN)	
of which: contributions to international organisations	
State Secretariat for Education and Research (SER)	
of which: scholarships to foreign students in Switzerland	
Other federal offices	
Cantons and municipalities^a	
Total	
ODA as % of gross national income (GNI)	

a Estimate for 2011.

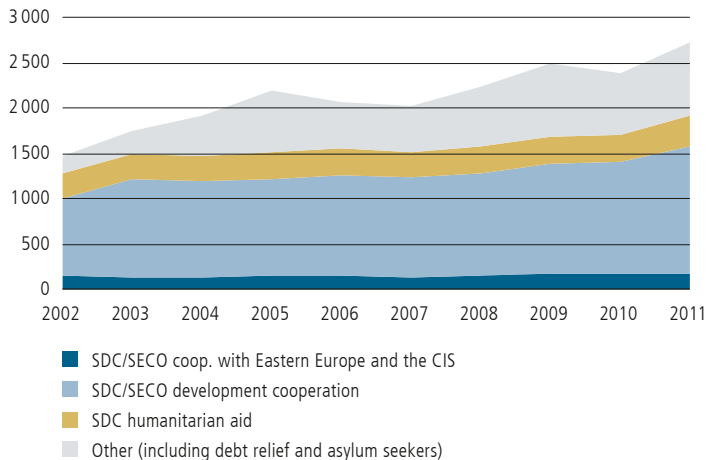
Although additional funds were allocated to SDC and SECO, their share in total ODA hardly changed in 2011 (70%). The assistance costs for asylum seekers originating from developing countries during their first year of stay in Switzerland increased again (2011: 17% of ODA), the amount of bilateral debt relief operations doubled over 2010.

2011 ^p			2010 ^r		
Bilateral ODA	Multilateral ODA	Total ODA	Bilateral ODA	Multilateral ODA	Total ODA
2 064.8	619.3	2 684.0	1 737.8	612.6	2 350.4
1 099.8	539.5	1 639.4	974.2	522.0	1 496.2
301.4	33.3	334.8	278.6	31.7	310.3
693.3	505.6	1 198.9	588.9	490.3	1 079.2
105.1	0.6	105.7	106.6	–	106.6
338.9	4.4	343.3	242.2	4.7	246.9
210.0	4.4	214.4	151.5	4.7	156.2
59.9	–	59.9	59.1	–	59.1
69.0	–	69.0	31.6	–	31.6
489.3	–	489.3	395.5	–	395.5
12.5	–	12.5	14.4	–	14.4
476.8	–	476.8	381.1	–	381.1
75.4	28.5	103.9	66.9	30.8	97.7
62.3	11.8	74.1	60.3	12.9	73.3
13.1	16.7	29.9	6.6	17.8	24.4
41.9	–	41.9	41.3	7.6	48.9
41.9	–	41.9	41.2	7.6	48.8
–	–	–	0.1	–	0.1
6.6	35.5	42.1	6.2	36.0	42.2
6.6	35.5	42.1	6.1	36.0	42.1
7.0	0.5	7.5	6.6	0.6	7.1
7.0	–	7.0	6.6	–	6.6
5.8	10.8	16.6	4.9	11.0	15.9
52.0	–	52.0	47.6	–	47.6
2 116.8	619.3	2 736.0	1 785.4	612.6	2 398.0
		0.46%			0.40%

The proportion between bilateral and multilateral ODA has remained stable over many years (75%/25%). In 2011, the share of bilateral ODA went up to 77%.

Graph 2

Swiss ODA by aid category 2002–2011 (mil. CHF)

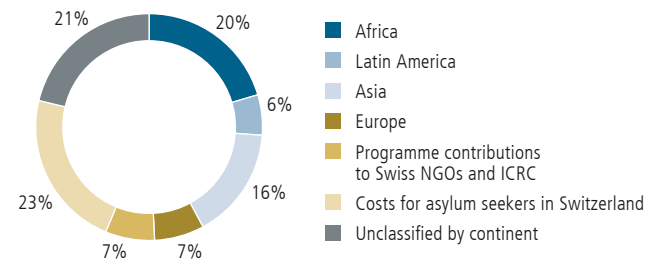


The statistical adjustments introduced from 2003 onwards (inclusion of debt relief and costs for asylum seekers) have influenced the growth of ODA and affected persistently the breakdown of aid categories:

- The share of development cooperation activities of SDC and SECO with the South decreased from 60% in the early 2000s to 52% in 2011.
- During the last decade the share of humanitarian aid in ODA diminished from 18% to 12%.
- The share of the SDC and SECO cooperation with the East fell slightly in 2011 (6% of total).
- The contributions from other federal offices, cantons and municipalities, debt relief measures and costs for asylum seekers, represented 30% of the total in 2011 (2000: 13%).

Graph 3

Breakdown of bilateral ODA by continent 2011



Swiss bilateral ODA is principally intended for low-income countries and regions. In 2011 Africa and Asia were the main recipients (36% of bilateral ODA in 2011). Developing and transition countries in Latin America and Europe absorbed together 13% of total bilateral ODA.

The amount not geographically distributed amalgamates SDC's programme contributions to Swiss NGOs and to the ICRC (7%), assistance to asylum seekers (23%), contributions to research or training institutes, mandates for thematic advice, as well as operating costs and logistics in Switzerland (21%).

Table 3

Geographical breakdown of bilateral ODA by continents and countries 2010–2011 (mil. CHF)

	2011	2010
Africa	436.1	356.4
Togo	^a 65.8	1.8
Mozambique	25.5	30.6
Burkina Faso	24.0	29.4
Tanzania	23.3	19.9
Mali	20.1	19.3
Somalia	19.8	9.3
Niger	15.8	19.5
Ghana	14.9	14.3
Sudan	14.1	17.7
Burundi	13.3	12.6
Zimbabwe	11.8	7.3
Chad	10.7	15.6
Congo (Democratic Republic)	10.4	6.8
Liberia	^a 10.2	4.9
Egypt	10.2	6.6
Tunisia	9.6	1.0
Kenya	8.8	4.8
Benin	8.6	13.8
Ethiopia	7.8	6.5
South Sudan	6.2	–
Ivory Coast	6.1	2.7
South Africa	6.1	7.8
Other countries	28.1	^a 65.9
Regional projects and not distributed by country	64.9	38.3
Latin America	122.6	158.8
Bolivia	23.4	22.5
Peru	16.9	22.3
Nicaragua	16.7	15.6
Colombia	14.2	15.4
Haiti	13.9	24.0
Honduras	7.5	6.6
Other countries	6.5	22.5
Regional projects and not distributed by country	23.5	29.9

	2011	2010
Asia	338.7	338.6
Nepal	31.2	29.1
Bangladesh	26.4	22.0
Gaza and West Bank	22.2	22.0
Afghanistan	20.2	18.4
Kyrgyzstan	19.8	18.4
Laos	19.5	17.1
Vietnam	18.0	26.9
Pakistan	16.6	24.7
Mongolia	13.4	11.8
Tajikistan	12.4	14.4
Sri Lanka	9.2	10.4
Myanmar	8.9	6.5
Indonesia	8.7	5.2
China	8.7	8.5
North Korea	8.4	8.6
Georgia	8.3	6.8
India	7.5	10.9
Yemen	6.3	4.3
Lebanon	5.8	6.9
Azerbaijan	5.2	4.1
Other countries	26.2	24.1
Regional projects and not distributed by country	35.7	37.6
Europe	154.6	157.6
Kosovo	51.9	55.2
Bosnia and Herzegovina	23.5	20.1
Serbia	13.3	12.4
Albania	10.8	14.8
Ukraine	10.1	16.1
Moldova	7.3	9.0
Macedonia	6.7	10.9
Other countries	0.5	1.2
Regional projects and not distributed by country	30.3	17.8
Unclassified by continent	1 064.9	774.1
Total	2 116.8	1 785.4

^a Incl. bilateral debt relief measures which were negotiated within the framework of the Club of Paris.

See details: www.sdc.admin.ch/en/Home/About_SDC/Facts_and_figures/ODA/Bilateral_ODA

Table 4

**Swiss multilateral ODA by organisations
2010–2011 (mil. CHF)**

	2011	2010
UN organisations	174.3	175.8
UN Development Programme (UNDP)	54.0	54.0
UN Children's Fund (UNICEF)	20.0	20.0
UN Population Fund (UNFPA)	14.0	14.0
Office of the UN High Commissioner for Refugees (UNHCR)	13.0	11.7
UN Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)	13.0	11.3
International Fund for Agricultural Development (IFAD)	7.0	7.1
Special programmes of the World Health Organisation (WHO) ^a	5.5	5.5
Central Emergency Response Fund (CERF)	5.5	5.0
UN Programme on HIV/AIDS (UNAIDS)	5.0	5.0
UN Environment Programme (UNEP)	4.0	4.0
World Food Programme (WFP)	2.5	2.0
Contributions to UN organisations reportable in part in ODA figures ^b	24.1	26.3
Other UN organisations	6.6	10.0
International Financial Institutions	361.1	353.8
African Development Fund (AfDF) ^c	52.4	58.1
International Development Association (IDA) ^c	318.1	282.4
Other development funds and banks	11.7	13.3
Inter-American Development Bank (IADB) – recovery ^d	- 21.2	-
Other international organisations	83.9	82.9
Global Environment Facility (GEF)	29.2	29.5
Consultative Group on International Agricultural Research (CGIAR)	14.0	13.5
Geneva Centre for the Democratic Control of Armed Forces (DCAF)	10.0	8.0
The Global Fund to Fight Aids, Tuberculosis and Malaria	8.0	7.0
Geneva International Centre for Humanitarian Demining (GICHD)	7.3	7.6
International Organisation of La Francophonie (OIF)	5.2	5.2
Other institutions	10.3	12.2
Total multilateral ODA	619.3	612.6

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

b Percentages applied according to DAC directives.

c Incl. Multilateral Debt Relief Initiative (MDRI).

d Exceptional recovery on IDB capital subscription due to exchange rate development.

See details:

www.sdc.admin.ch/en/Home/About_SDC/Facts_and_figures/ODA/Multilateral_ODA

Multilateral ODA includes general contributions paid by SDC and other federal offices to international development institutions.

Contributions to international non-governmental organisations (including the ICRC) are included in bilateral ODA.

As in the former years, multilateral ODA concentrated in 2011 on the international financial institutions (IFI) (58%), whereas the United Nations agencies and the other international institutions absorbed respectively 28% and 14% of multilateral ODA. In 2011 an exceptional amount of CHF 21 million was returned to Switzerland by the IDB, as a result of the conversion in USD of former contributions in Swiss francs.

Contributions to IFIs are registered in ODA at the time of the deposit and not upon payment of the "notes" (sight drafts). This notification practice explains on one hand the variations which may result from one year to another and on the other hand the differences observed with the Confederation accounts.

$4 = 8 - 8 + 2$



bonjour
je m'appelle Jaifathi

SDC/SECO
expenditures

Table 5

Overview of SDC/SECO expenditures 2007–2011 (mil. CHF)

Total expenditures SDC^a	
Humanitarian aid	287.1
Development cooperation	959.3
Cooperation with Eastern Europe and the CIS	96.5
Contribution to EU enlargement	0.2
Total expenditures SECO Economic Cooperation and Development^b	
Development cooperation	149.9
Cooperation with Eastern Europe and the CIS	52.4
Contribution to EU enlargement	0.3

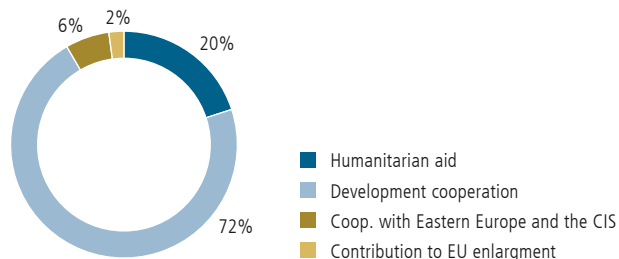
a Excl. exceptional recovery from the Inter-American Development Bank (IADB).

b Excl. reinvestment SIFEM (Swiss Investment Fund for Emerging Markets).

	2007	2008	2009	2010	2011
Total expenditures SDC^a	1343.1	1397.6	1452.9	1507.0	1681.8
Humanitarian aid	287.1	302.9	303.7	314.9	336.1
Development cooperation	959.3	990.0	1038.5	1066.9	1204.4
Cooperation with Eastern Europe and the CIS	96.5	102.6	102.8	106.7	105.4
Contribution to EU enlargement	0.2	2.1	7.9	18.5	35.9
Total expenditures SECO Economic Cooperation and Development^b	202.6	214.7	273.4	238.4	268.4
Development cooperation	149.9	153.1	159.8	161.2	194.6
Cooperation with Eastern Europe and the CIS	52.4	59.2	57.8	59.6	60.0
Contribution to EU enlargement	0.3	2.4	55.8	17.6	13.8

Graph 4.1

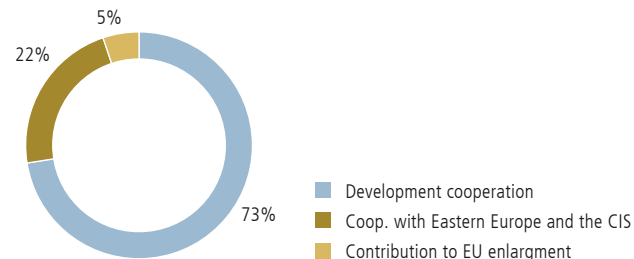
SDC expenditures 2011: 1 681.8 Mio. CHF



The table and the graph above show the financial results for SDC as they appear in the Confederation accounts.

Graph 4.2

SECO expenditures 2011: 268.4 Mio. CHF



The table and the graph above show the financial results for SECO as they appear in the Confederation accounts.

Table 6

SDC Development cooperation by priority countries and regions 2010–2011 (mil. CHF)

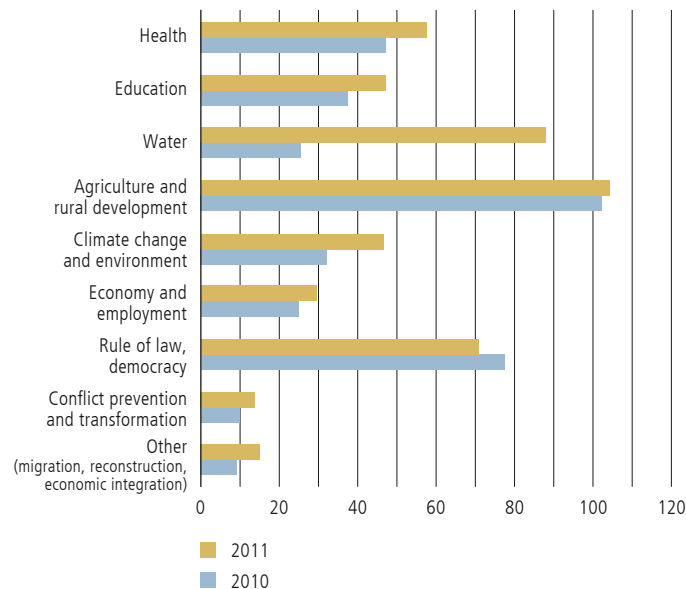
	2011	2010
Priority countries and regions	269.6	234.1
Vietnam/Mekong	35.2	26.2
Nicaragua/Central America	33.2	25.0
Nepal	29.7	25.7
Bangladesh	24.7	18.2
Bolivia	22.3	17.8
Tanzania	20.9	14.6
Mozambique	19.7	19.9
Mali	18.1	14.7
Burkina Faso	14.4	13.8
Niger	13.9	13.2
Pakistan	9.2	11.2
Benin	8.5	11.5
Peru	8.4	10.4
Chad	8.2	10.2
Bhutan	3.1	1.5
Special programmes	81.8	67.0
South Africa/Southern Africa	24.5	18.9
Rwanda/Great Lakes	21.0	12.9
Afghanistan/Hindu Kush	17.0	14.7
Mongolia	13.3	11.7
Cuba	3.2	5.2
North Korea	2.8	3.7
Other activities	352.8	288.1
North Africa and Near and Middle East ^a	29.7	14.5
Other countries and regions ^b	74.4	50.3
Programme contributions to NGOs	68.6	64.8
Thematic mandates and operating costs	180.2	158.5
Total bilateral development cooperation	704.2	589.3
Total multilateral development cooperation	500.1	477.6
Total	1204.4	1066.9

a Excl. the general contributions of 3.0 mil. CHF in 2011 (1.3 mil. CHF in 2010) to the UNRWA, reported as «multilateral development cooperation». These amounts are distributed as follows: Gaza and West Bank, 1.6 mil. CHF (0.7 mil. CHF); Jordan, Lebanon and Syria, 1.4 mil. CHF (0.6 mil. CHF).

b Incl. India which has not been a priority country since 2011.

Graph 5

Bilateral expenditures of SDC development cooperation by themes 2010–2011 (mil. CHF)



See detailed information:
www.sdc.admin.ch/en/Home/Themes

The diagram shows the allocation of resources to the 11 thematic domains where SDC concentrates its bilateral development activities.

In 2011, activities focussing on water and climate change benefitted from the additional resources provided to SDC in order to gradually move ODA to the 0.5% target.

Table 7

SECO Development cooperation by priority countries and programmes 2010–2011 (mil. CHF)

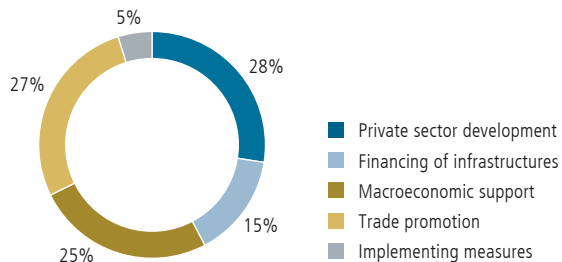
	2011	2010
Priority countries and programmes	55.5	56.8
Ghana	14.3	13.8
Vietnam	10.7	18.2
Indonesia	10.4	5.6
Peru	7.5	8.4
Egypt	6.3	5.5
Colombia	4.0	2.6
South Africa	2.3	2.7
Other measures	139.1	104.4
Global/regional programmes and other countries, various contributions ^a	131.9	98.1
Operating costs not distributed by country	7.2	6.3
Total	194.6	161.2

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

See detailed information by country: www.seco-cooperation.admin.ch/laender

Graph 6

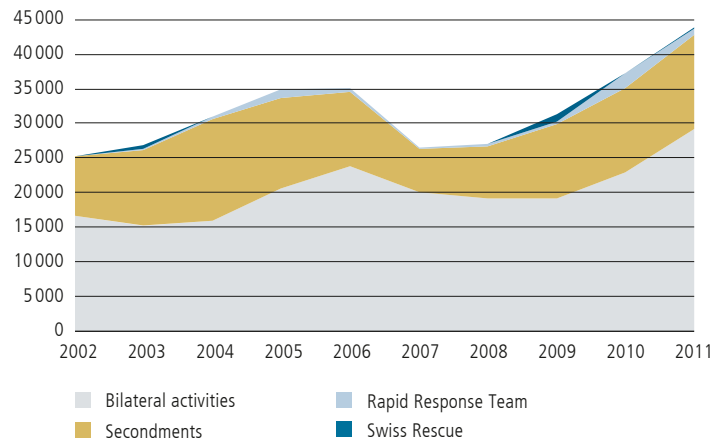
SECO Development cooperation by instruments 2011



See detailed information: www.seco-cooperation.admin.ch/themen

Graph 7

Humanitarian aid / Swiss Humanitarian Aid Unit (SHA): Mission Days abroad 2002–2011



Graph 8

Humanitarian aid by strategical areas 2009–2011

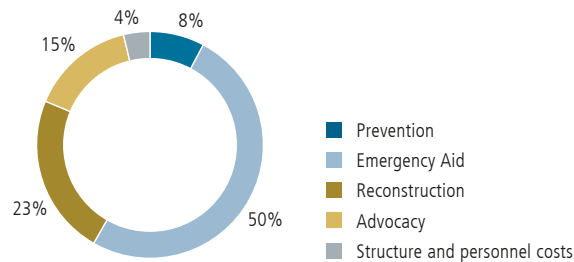


Table 8

**SDC Humanitarian aid by intervention countries and regions
2010–2011 (mil. CHF)**

	2011	2010
Africa	101.6	72.5
Somalia	18.7	8.2
Sudan	10.4	12.3
Kenya	8.3	3.4
Ethiopia	7.7	4.0
Zimbabwe	6.2	6.4
Ivory Coast	5.6	1.2
Congo (Democratic Republic)	5.2	3.5
Liberia	4.9	3.4
South Sudan	4.3	–
Libya	4.1	0.2
Morocco	3.5	2.5
Burundi	2.8	3.9
Chad	2.1	3.6
Algeria	2.1	1.0
Central African Rep.	1.9	1.0
Burkina Faso	1.6	3.7
Niger	1.3	4.5
Guinea	1.2	1.1
Mali	1.1	1.6
Cape Verde	1.1	0.7
Other countries	5.6	4.5
Regional projects and not distributed by country	1.9	1.8
Latin America	22.0	28.1
Colombia	8.2	7.0
Haiti	8.0	14.8
Honduras	1.1	0.2
Bolivia	1.0	1.4
Other countries	2.9	4.1
Regional projects and not distributed by country	0.8	0.7

	2011	2010
Asia	71.1	71.1
Sri Lanka	7.9	7.8
Pakistan	7.3	11.0
Gaza and West Bank ^a	7.3	7.4
Myanmar	5.8	5.3
North Korea	5.6	5.0
Yemen	5.5	4.3
Georgia	4.9	3.2
Jordan ^a	4.2	3.6
Afghanistan	3.5	3.1
Lebanon ^a	3.5	5.4
Iraq	3.4	3.6
Syria ^a	2.8	2.0
Thailand	1.7	1.8
Bangladesh	1.7	1.6
Other countries	4.1	4.8
Regional projects and not distributed by country	1.9	1.2
Europe	0.8	5.8
Other activities, not distributed geographically	140.6	137.4
General contribution to the International Committee of the Red Cross (ICRC)	70.0	70.0
Contributions to international organisations	33.5	31.9
Programme contributions to NGOs	5.9	6.0
Various contributions and administrative costs	26.4	24.5
Structure personnel	4.8	5.0
Total	336.1	314.9

a Excluding the annual general contributions to UNRWA of 10 mil. CHF which are recorded under "contributions to international organisations". These amounts are distributed as follows: 5.3 mil. CHF in Gaza and West Bank, 2.2 mil. CHF in Jordan, 1.4 mil. CHF in Lebanon and 1.1 mil. CHF in Syria.

Table 9

Partners of Humanitarian aid 2011 (mil. CHF)

UN organisations
World Food Programme (WFP)
Office of the UN High Commissioner for Refugees (UNHCR)
UN Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)
UN Office for the Coordination of Humanitarian Affairs (UNOCHA)
UN Children's Fund (UNICEF)
Other UN organisations
International Committee of the Red Cross (ICRC)
Bilateral interventions and administrative costs
Swiss NGOs
International organisations and foreign NGOs
Direct interventions by the Swiss Humanitarian Aid Unit (SHA) and Swiss Rescue Operating, personnel and material expenditures
Total Humanitarian aid 2011
Total Humanitarian aid 2010

a This figure includes CHF 19.5 million in Swiss dairy products and CHF 13.6 million in grain.

General contributions	Specific contributions	Food aid	Total
33.0	60.6	24.8	118.4
2.5	15.6	23.9	42.0
13.0	15.5	–	28.5
10.0	4.7	–	14.7
7.0	6.7	–	13.7
–	4.2	–	4.2
0.5	13.9	0.9	15.3
70.0	41.5	–	111.5
0.5	97.4	8.3	106.2
–	16.7	6.1	22.9
0.5	20.6	0.4	21.4
–	23.2	1.8	24.9
–	36.9	0.1	37.0
103.5	199.5	*33.1	336.1
101.9	179.1	34.0	314.9

See details:

www.sdc.admin.ch/en/Home/Activities/Humanitarian_Aid/Partners

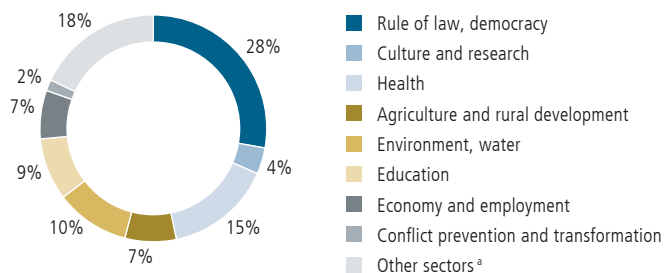
Table 10

SDC Cooperation with Eastern Europe and the CIS by priority countries and regions 2010–2011 (mil. CHF)

	2011	2010
Priority countries and regions	73.4	73.7
Central Asia	25.0	22.9
Kosovo	10.2	10.8
South Caucasus	9.0	8.8
Bosnia and Herzegovina	8.5	10.1
Serbia	8.0	7.6
Albania	7.3	8.0
Ukraine	5.4	5.5
SDC special programmes	13.2	14.0
Moldova	7.3	7.7
Macedonia	6.0	6.3
Other activities	18.8	19.0
Other countries and regions	8.1	8.8
Programme contributions to NGOs	4.0	4.0
Contribution to IDEA	0.6	–
Operating costs not distributed by country	6.1	6.2
Total	105.4	106.7

Graph 9

SDC Cooperation with Eastern Europe and the CIS by sector 2011



a Includes migration, reconstruction, multisectoral and operating costs.

Table 11

SECO Cooperation with Eastern Europe and the CIS by priority countries and regions 2010–2011 (mil. CHF)

	2011	2010
Priority countries and programmes	39.5	42.5
Kyrgyzstan	10.2	7.8
Bosnia and Herzegovina	8.3	2.7
Serbia	4.7	2.7
Ukraine	4.4	9.6
Albania	3.3	5.8
Tajikistan	3.3	5.1
Azerbaijan	3.2	1.1
Kosovo	1.6	3.4
Macedonia	0.4	4.3
Other	20.5	17.0
Regional programmes and other countries	16.3	11.7
Operating costs not distributed by country	4.2	5.4
Total	60.0	59.6

See detailed information by country:
www.seco-cooperation.admin.ch/laender

Graph 10

SECO Cooperation with Eastern Europe and the CIS by instruments 2011

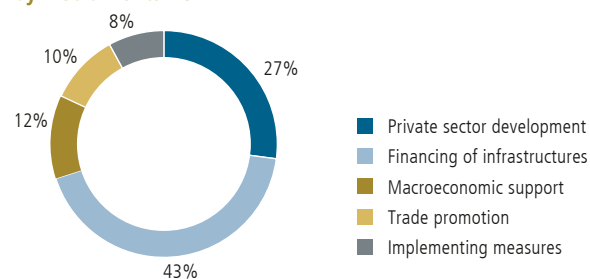


Table 12

SDC Partners in bilateral activities 2011 (mil. CHF)

Swiss NGOs	
of which:	
Helvetas	
Intercooperation	
Swisscontact	
Swiss Red Cross	
Caritas Switzerland	
Terre des Hommes, Lausanne	
Swissaid	
Solidar suisse	
Swiss Interchurch Aid (EPER)	
Bread for All	
Geneva Federation for Cooperation (FGC)	
Catholic Lenten Fund	
Pestalozzi Children's Foundation	
Interteam	
SolidarMed	
Médecins Sans Frontières (MSF)	
Enfants du Monde	
Swiss research and university institutions	
Swiss private sector	
Swiss public sector	
United Nations organisations, multi-bilateral activities	
International financial institutions, multi-bilateral activities	
Other 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 2011	
Total 2010	

NGO programmes ^a	Contributions and specific mandates			Total ^b
	Humanitarian aid	Dev. coop.	Coop. East	
78.5	17.0	99.0	18.1	212.6
10.7	–	26.1	2.5	39.3
–	0.1	24.3	2.4	26.8
4.5	–	11.3	2.1	17.8
4.1	3.7	–	2.5	10.4
5.8	4.2	–	0.1	10.1
6.5	0.5	1.4	0.2	8.6
5.8	–	–	–	5.8
3.1	0.5	2.2	–	5.8
4.7	0.1	–	0.5	5.3
5.3	–	–	–	5.3
4.2	–	–	–	4.2
3.7	–	–	–	3.7
2.7	–	–	–	2.7
2.5	–	–	–	2.5
1.2	0.6	0.6	–	2.5
1.8	0.6	–	–	2.4
1.4	–	0.7	–	2.1
–	0.4	34.0	7.8	42.1
–	1.6	25.8	2.9	30.4
–	0.3	6.6	0.3	7.2
–	85.4	52.1	5.5	143.1
–	0.6	48.4	5.4	54.4
–	126.5	72.0	14.5	213.0
–	111.5	–	0.5	112.0
–	5.4	153.2	27.0	185.6
78.5	237.1	491.2	81.5	888.3
–	59.6	144.5	19.3	223.4
78.5	296.7	635.7	100.8	1111.7
74.8	277.1	524.5	102.7	979.0

a Core contributions to NGOs for development and humanitarian programmes in countries of the South and the East.

b Excl. SDC contribution to EU enlargement (35.9 mil. CHF in 2011).

More details:

www.sdc.admin.ch/en/Home/About_SDC/Facts_and_figures/SDC_expenditures/Partners

Imprint

Publisher:

Federal Department of Foreign Affairs FDFA

Swiss Agency for Development and Cooperation SDC

Freiburgstrasse 130

3003 Berne

Phone +41 31 322 44 12

www.sdc.admin.ch

info@deza.admin.ch

Federal Department of Economic Affairs FDEA

State Secretariat for Economic Affairs SECO

Holzikofenweg 36

3003 Berne

Phone +41 31 324 09 10

www.seco-cooperation.admin.ch

info@seco-cooperation.ch

Editing/Coordination/Statistics:

SDC Staff of the Directorate

SECO Cooperation

Graphic Design/Concept:

Bruno Caderas, Zurich

www.caderas.ch

Photos:

Cover Antonio Bolfo/Getty Images

Pages 16/17 UNICEF

Print:

Werner Druck AG

4001 Basel

The statistical booklet to the Annual Report

is available in English, German, French and Italian.

Copies may be ordered from

info@deza.admin.ch, or

phone +41 31 322 44 12

Berne 2012