



# SWITZERLAND'S INTERNATIONAL COOPERATION ANNUAL REPORT 2003

## Swiss Agency for Development and Cooperation (SDC)

The SDC is a Swiss agency entrusted with the responsibility for international cooperation. A part of the Swiss Ministry of Foreign Affairs, the SDC develops and carries out its own programs, while supporting those of multilateral organizations, and shares in financing the work of Swiss and international aid organizations. Its main areas of operation are

- bilateral and multilateral development cooperation
- humanitarian aid, notably with the Swiss Humanitarian Aid Unit (SHA)
- cooperation with Eastern Europe.

The SDC also ensures overall coordination of development cooperation and humanitarian aid with other responsible federal offices. It has a staff of around 1,450 in Switzerland and abroad and its budget for 2004 comes to CHF 1,284 billion.

The SDC Director-General is Ambassador Walter Fust.

## State Secretariat for Economic Affairs (seco)

Seco is the competence center for Swiss economic policy. Within seco, Economic Development Cooperation implements economic and trade policy measures on behalf of developing and transition countries with one primary objective in mind: poverty reduction. To achieve this goal, seco encourages the improved integration of these countries into the global economy, while promoting the market economy and contributing to greater mobilization of private resources. Together with the SDC, seco shares responsibility for multilateral financial assistance.

Seco is part of the Swiss Federal Department for Economic Affairs and is currently headed by State Secretary David Syz who will be succeeded in April 2004 by Jean-Daniel Gerber. Economic Development Cooperation employs 55 people and has a budget of CHF 265 million in 2004. It is headed by Ambassador Oscar Knapp, seco Delegate of the Swiss government for Trade Agreements.

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Walter Fust



David Syz

## Editorial

*In 2003 Switzerland marked its first year as a fully-fledged member of the United Nations. This new political status follows a longstanding partnership with UN institutions and enables the country to exert greater influence and better defend the cause of disadvantaged countries. It also involves additional responsibilities. In 2003, the SDC and seco thus spent time examining the type of reorganization necessary to enable Switzerland to operate and fully assume the commitments of a member nation.*

*More than ever, our development policy joins with international efforts aimed at solving the problems of our planet. Both the SDC and seco are prepared to contribute actively towards reaching the Millennium Development Goals and implementing the declarations adopted at world conferences over the past decade.*

*The year 2003 was also proclaimed by the UN as the International Year of Freshwater, a domain in which Switzerland can offer vital expertise. Various events were organized around this theme in which development cooperation was substantially involved. All activities were designed to highlight the worldwide water crisis and reflect on ways to overcome the problem.*

*In the context of measures aimed at stabilizing federal finances, the funds allocated to development aid were cut back for the next three years. Nevertheless, despite weak economic growth, the government reaffirmed its intention to raise official development assistance to 0.4% of gross national income by 2010. It is a decision which we loudly applaud.*

Walter Fust, Ambassador,  
SDC Director-General

David Syz, State Secretary,  
seco Director



## Switzerland's international cooperation

Since 1999, Switzerland has allocated between CHF 1.46 billion and CHF 1.74 billion annually to poverty-fighting efforts in developing countries and countries in transition. The Confederation has mandated two federal offices to coordinate international development cooperation – the Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (seco).

The main objective of all development aid activities is to improve the living conditions of the most disadvantaged people on our planet. The SDC concentrates its efforts primarily on resolving conflicts, fostering social development and good governance, encouraging the development of economic structures and preserving natural resources. To achieve this it always seeks to strengthen personal initiative in the partner country. The SDC and seco support the countries of Eastern Europe and the Commonwealth of Independent States (CIS) in their transition to democracy and the free market in the form of know-how transfer and credits. Another task entrusted to the SDC is humanitarian aid. The Swiss Humanitarian Aid Unit (SHA) provides direct assistance to the victims of natural disasters and armed conflicts.

For its part, seco defines the economic and trade measures of development cooperation, using various instruments such as investment promotion, financing infrastructures and projects, trade promotion, balance of payments assistance and mixed credits. Finally, seco is the major player when it comes to planning and imple-

menting a debt relief strategy for the world's largest debtor countries.

While humanitarian aid is provided wherever it is urgently needed, SDC bilateral development cooperation focuses on 17 priority countries or regions and six special programs. Obtaining sustainable results is always a major objective. In Eastern Europe, work focuses on nine priority countries and two regional programs. On a multilateral level, the SDC cooperates with such institutions as the UN, the World Bank and regional development banks.

The SDC manages its on-site activities through the services of about 50 Cooperation Offices and in 2003 it was engaged in roughly 1,000 projects. A total of about 550 people currently work for the SDC in Switzerland and abroad, joined by 900 local employees. The Swiss Humanitarian Aid Unit has around 700 people ready to step into action. This export pool enabled the SHA to complete 273 missions abroad in 2003.

At seco, Economic Development Cooperation employs about 55 specialists who implement economic measures for development cooperation as defined by the Swiss government. Working closely with the SDC, they are responsible for the application and coordination of the funds at their disposal.

### Example: Replenishing IFAD resources

Last year the International Fund for Agricultural Development (IFAD) carried out its 6<sup>th</sup> resource replenishment to fund its activities to reduce rural poverty in developing countries from 2004 to 2006. A member of the IFAD since 1977, Switzerland pledged CHF 21.3 million. IFAD resources are allocated in the form of donations or loans at very favorable conditions. The main beneficiaries are small farmers, nomadic stock breeders, migrant workers, groups of poor women and other destitute people.

The expenditures allocated by the SDC and seco to international cooperation constitute the largest share of Swiss official development assistance (ODA). In 2003 this came to CHF 1.74 billion, or 0.38 per cent of gross national income. The year was marked by the renewal of the main program credit for development aid. Parliament approved CHF 4.2 billion to continue technical cooperation and financial assistance in the period 2004-2007. The Federal Council intends to use these instruments in its contribution to the realization of the Millennium Development Goals (MDGs) by the year 2015.

The SDC has developed guidelines on health and gender relations, two key aspects important in poverty reduction activities, and whose principles apply equally well to bilateral, multilateral, and humanitarian aid. According to the new policy of equality between men and women presented at a conference in Bern on 20 June, all SDC activities should systematically integrate these issues and thus encourage equality of the sexes. On the subject of health, a policy paper was published in November which accents the establishment of effective health care systems that are accessible to the poor, as well as the control of major transmittable diseases.

## Multilateral cooperation

Today's major problems – poverty, conflict, insecurity, migration, AIDS, environmental destruction – are global in scope and are therefore beyond the ability of one country to solve them alone. Only a coordinated approach by the international community can result in sustainable solutions. The SDC and seco are both actively engaged in multilateral cooperation, both financially and through their participation in the work of the main multilateral cooperation organizations.

In 2003, Swiss cooperation was part of a very dynamic international setting, characterized by several major challenges: the concretization of the MDGs, the production and financing of global public goods, the harmonization of donor country practices and the establishment of strategic structures in partner countries in the fight against poverty.

### A time for implementation

In its message on continuing technical cooperation and financial aid for developing countries, the Federal Council points out that the MDGs will be the principal frame of reference for Switzerland's commitment in upcoming years. This message, which was drawn up under SDC direction, recalls the importance of special major United Nations conferences, such as the Financing and Development Conference in Monterrey, Mexico, and the World Summit on Sustainable Develop-

ment in Johannesburg. In 2002 the action plans adopted by these two conferences prepared the ground for the implementation of the MDGs. Last year, Switzerland reflected on these plans to determine just how and in which sectors it should steer its activities and so contribute more effectively towards the realization of these objectives.

### International presence

Switzerland also expressed its commitment to the MDGs at the 58<sup>th</sup> General Assembly of the United Nations. On this occasion, the SDC put considerable effort into a high-level meeting to discuss the follow-up to the Monterrey Conference.

In 2003, Switzerland was entrusted with important tasks within the UN. Jenö Staehelin, Head of the Permanent Mission of Switzerland to the United Nations was named President of the Executive Board of the United Nations Children's Fund (UNICEF). Jean-Marc Boulgaris, Permanent Representative of Switzerland to the United Nations Office in Geneva and to other International Organizations in Geneva, was elected Chairman of the Executive Committee of the UN High Commission for Refugees (UNHCR) for 2003/2004. Jean-Jacques Elmiger of seco was named Chairman of the Commission for Social Development for 2004. The Bretton Woods Institutions also displayed their confidence in Switzerland by nominating it to chair their annual meet-





ing 23-24 September in Dubai, a function assumed by Federal Councillor Kaspar Villiger, who was Head of the Federal Department of Finance at the time.

### **WTO ministerial conference in Cancún**

In September the fifth Ministerial Conference of the World Trade Organization (WTO) in Cancún ended in failure. Agriculture was the central theme of the negotiations. One of the five working groups studied questions of development, notably its specialized and differentiated treatment, problems of implementation and raw materials. One of the outstanding events was the presentation of West Africa's cotton initiative. Switzerland actively involved itself in development questions through the «WTO Trade and Development» task force, a group set up by seco in 1991. The SDC is represented in this group whose mandate is to facilitate the integration of development aspects in Swiss positions at the WTO.

### **International Year of Freshwater**

Switzerland played an active role in the events marking the International Year of Freshwater. A national action program was realized by three federal offices, including the SDC, which has been working for more than 30 years in the drinking water and purification sector. The SDC summed up this experience in a pamphlet and defined a new water strategy. Approximately 40 events demonstrated the need for sustainable use

of this «blue gold». Internationally, the SDC, seco and the Swiss Agency for the Environment, Forests and Landscape (SAEFL) participated in major events including the World Water Forum in Kyoto in March, and the International Water Forum 30 August-1 September in Dushanbe, Tajikistan.

### **World summit in Geneva**

In December, Switzerland hosted the three-day World Summit on the Information Society (WSIS) in Geneva. The SDC made an important contribution to this summit by focusing on the theme of new information and communication technologies (ICT) and the potentials and risks they pose to developing countries, especially the poorest. Co-hosting the summit together with the Global Knowledge Partnership (GKP), the SDC set up the ICT for Development Platform designed to underline the development dimension. Over a period of five days there were more than 40 conferences and debates and 256 exhibitors from all continents presented their ICT experiences. Seco co-organized the annual InfoDev Symposium, a World Bank program, and offered an insight into its own ICT activities. With approximately 38,000 visitors, this platform certainly was the most visited event of the Summit.

### **Example: The Jura solution inspires an attempt to resolve the Nepalese crisis**

In February 2003, the SDC invited Nepalese dignitaries to Montézillon (NE) to a seminar on conflict resolution and peace promotion in multicultural societies. After hearing how the Jura and South Africa had overcome their conflicts, the Nepalese, who represented groups with very divergent interests (government, Maoist rebels, parties and civil society), reflected on the war in their own country. Working on a face-to-face level and in an atmosphere of trust, they agreed on several principles which would need to be respected to regulate this conflict.

# Bilateral development cooperation

For greater effectiveness, Switzerland concentrates its bilateral aid on a limited number of geographical areas. In 2003 its resources were allocated to 17 priority countries and six special programs in Asia, Africa, Latin America and the Mediterranean region. Over the next few years, the number of priority countries could increase progressively to 20 under the new CHF 4.2 billion program credit approved by the Swiss parliament in December.

Within the SDC, the Bilateral Development Cooperation Department devoted considerable thought in 2003 to the subject of preventing and resolving conflicts during which staff members from the different geographical divisions were made aware of the various ways of approaching an issue which has such a great impact on development activities. In particular, they were introduced to the analytical tool known as «Peace and Conflict Impact Assessment» (PCIA).

## South and Southeast Asia

The year 2003 witnessed stepped up confrontations in Nepal. The SDC thus adapted its programs in that country to better combat the roots of the conflict which include poverty and social exclusion. Together with other development agencies, it defined working principles for this conflict environment. A fact-finding mission to the Buddhist kingdom of Bhutan showed that the process of decentralization fostered by Switzerland has been well established. In Vietnam the SDC contributes to current reforms while supporting government efforts aimed at reducing poverty in disadvantaged rural areas. And in Mongolia Switzerland has begun shifting its commitment, gradually reducing humanitarian aid in favor of a development cooperation program.

Meanwhile India, Bangladesh and Pakistan have all been experiencing increased violence related to social and religious discrimination. After studying this phenomenon the SDC adjusted its strategy so that its activities could contribute towards eliminating discrimination and resolving conflicts. At the same time, it focused on the decentralization process in all three countries,

endeavoring to reinforce human and institutional capacities on the community level.

## Africa

SDC activities in West Africa are structured around five main areas: rural development, informal sector craftsmen, basic education, health and decentralization. Its priority countries (Benin, Burkina Faso, Chad, Mali and Niger) enjoy relative political stability and were not, as feared, negatively impacted by the crisis which flared up in Côte d'Ivoire. Instead their fragile economies successfully absorbed the huge numbers of migrant workers returning from Côte d'Ivoire. The implosion of this regional economic power was a major concern for the SDC and it worked actively to support reconciliation, especially by organizing symbolic actions in the trouble spots.

In Eastern and Southern Africa the AIDS epidemic has become a humanitarian catastrophe. In 2003, the SDC decided to treat AIDS as a transversal theme and since then, all its regional programs include preventive and awareness-raising measures. Special efforts were also made to ensure that all its operations actually benefit the poor. A study made in Tanzania entitled *View of the Poor* enabled a better perception of real life in poor families.

## The Mediterranean and Latin America

All federal services active in the Near East and Northern Africa were consulted for the purpose of defining Switzerland's policy in these regions. The «Machrek Concept» is the result of joint workshops involving the SDC, seco and Political Affairs Divisions II and IV of the Swiss Ministry of Foreign Affairs. The «Maghreb Concept» was developed by the same players along with the Federal Office for Refugees.

In Latin America, the SDC supported Bolivia and Nicaragua in their efforts to establish and implement strategic plans in the fight against poverty, stressing the importance of anchoring these processes more strongly in civil society. The





Cooperation Offices made sure that their national programs focused more precisely on poverty reduction and that more weight was put on two closely linked topics: decentralization and local economic development in rural areas.

## Cooperation with Eastern Europe and the CIS

Ever since the fall of the Berlin wall, Switzerland has been supporting the transition of the former communist states into democracies and market economies. Its first partners were the Baltic States, the former Czechoslovakia, Hungary and Poland. During the 1990s, it then shifted its aid to the Commonwealth of Independent States (CIS), then to the former Yugoslavia. Today, its efforts are focused on South-East Europe and the CIS, especially Central Asia and the South Caucasus.

Each year aid to Eastern Europe comes to approximately CHF 200 million, an amount divided equally between the SDC's technical cooperation and seco's financial aid. Together they operate 13 Cooperation Offices in Eastern Europe. Between 1999 and 2004 expenditures for cooperation activities with Eastern Europe have been covered by the third framework credit of CHF 1.4 billion. In 2003, the SDC and seco drew up the Federal Council message concerning the fourth framework credit to finance their activities for the 2005-2008 period. They also drew up the message on the future federal law on cooperation with Eastern Europe which is to replace the federal decree of 1995 which runs out in 2005.

### Cooperation assessment

To give these messages a solid conceptual basis, the SDC and seco assessed the first 12 years of cooperation with Eastern Europe. Groups of independent experts evaluated both the relevance and effectiveness of SDC and seco programs and reported that they not only responded to the main needs of the partner countries but also were able to fill thematic and sectoral niches. In addition, they demonstrated considerable flexibility and pragmatism, adapting their policies to constantly changing contexts. They carried out a total of 810 projects. Completing this assessment was an overall analysis of the transition.

On the international scene, Switzerland participated in the 5<sup>th</sup> Pan-European Ministerial Conference on the theme «Environment for Europe» in May in Kiev, Ukraine. The ministers adopted a strategy of environmental cooperation between the 12 countries of the CIS which included a «Partnership on water and sustainable development» launched by the European Union (EU). On this occasion, the SDC, seco and the SAEFL published a brochure on Switzerland's efforts to promote the sustainable and equitable management of water resources in Eastern Europe.

### Example: A network of local authorities in the Balkans

Municipalities play a central role in developing democracy in South-East Europe. The SDC is actively involved in the Network of Associations of Local and Regional Authorities of South-East Europe (NALAS) which represents about 14,000 communities, a project initiated by the Council of Europe in the context of the Stability Pact for South Eastern Europe. The network helps to strengthen the position and qualifications of each association. Once institutionalized, it should become a center of expertise in matters concerning legislation, taxes and decentralized cross-border cooperation. In 2003, the SDC mainly helped organize several training seminars.



## Water strategy

Water is a priority in cooperation with Central Asian countries, especially those affected by water shortages, pollution, the deterioration of infrastructures and poor systems management. Seco and the SDC both confirmed their commitment to a water strategy for the region which favors the participation of Switzerland in the EU water partnership together with other international partners. This strategy emphasizes that Swiss programs combine institutional development and the consolidation of capacities with investments to either restore or establish infrastructures. The World Water Forum met at the end of August in Dushanbe, Tajikistan. Organized by the Tajik government with Switzerland's support, the meeting focused on water problems in Central Asia.

## Managing migration

The social and economic situation in the Balkans remains precarious. Switzerland is cooperating actively with the Stability Pact for South Eastern Europe, which it joined in 2000. In the scope of a «working table» on economic reconstruction,

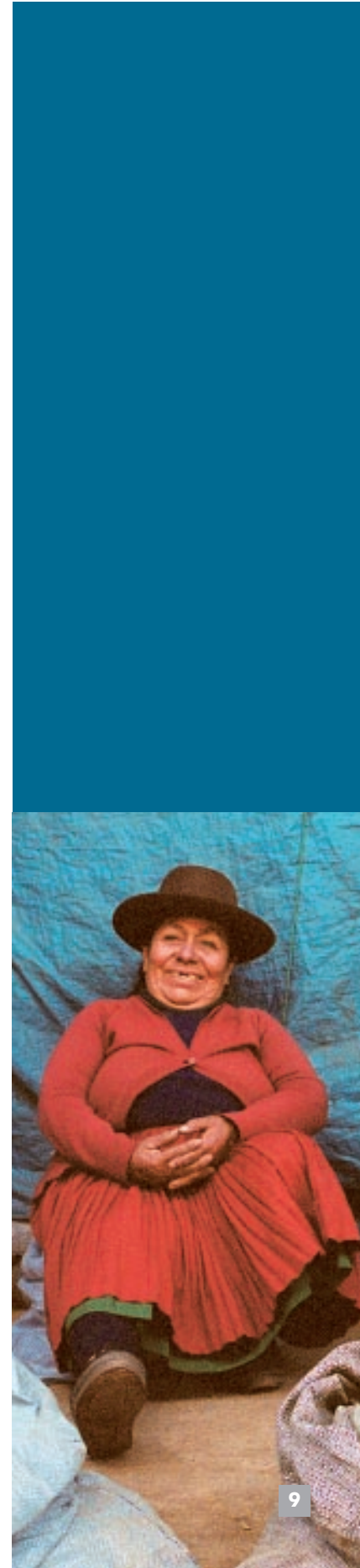
development and cooperation, seco has provided special support to the liberalization of the energy market, the reconstruction of infrastructures as well as various trade initiatives. The SDC coordinates Swiss efforts at the «working table» on democratization and human rights, and in 2003 it backed several projects or initiatives on local democracy, cross-border cooperation, social solidarity, and the management of population movements.

At the beginning of 2003, Switzerland defined the basis for its cooperation with two partner countries in South-East Europe by signing framework agreements with Serbia-Montenegro and Bosnia and Herzegovina on technical, financial, economic and humanitarian cooperation.

# Economic cooperation with developing and transition countries

Economic and trade policy measures represent about 15 percent of Swiss official development assistance (ODA). Responsible for their implementation is seco, or more precisely its Economic Development Cooperation which in 2003 replaced the Development and Transition Division. The Swiss parliament approved the sixth program credit of CHF 970 million, to finance the continuation of economic and trade policy measures for development cooperation. Effective as of 1 July 2003, this credit allocation is valid for a minimum of five years. In 2003, Economic Development Cooperation focused on 28 priority countries in Africa, Asia, Latin America and Eastern Europe.

Seco's objective is to reduce poverty in developing and transition countries by concentrating its support on the integration of these countries into the world economy and by fostering strong and sustainable economic growth. Using the following instruments it endeavors to help achieve the Millennium Development Goals: the promotion of trade and investments, the creation of an environment favorable to growth and private initiative, the financing of basic infrastructures and cooperation with multilateral development banks.





### SIPPO and SOFI, seco's right and left hands

Under seco mandate, the Swiss Import Promotion Programme (SIPPO) helps small and medium-sized enterprises (SMEs) in disadvantaged countries to export their products to Swiss and European markets by organizing trade meetings to bring them into contact with importers. The SMEs receive information on markets as well as invitations to attend training seminars in marketing, design and quality. In 2003, 5,200 requests were received from 157 countries, and thanks to this program, 130 businesses were given the opportunity to participate in 10 trade fairs. SIPPO also opened an office in Macedonia, its first representation abroad. Previously linked to the Swiss Office of Trade Promotion (OSEC), it has since become legally independent and its mandate has been renewed for an additional four years by the Federal Council.

Seco also promotes investments in developing and transition countries, especially through the Swiss Organisation for Facilitating Investments (SOFI) which was created in 1997 at the initiative of seco and KPMG Fides, a partnership which was renewed for an additional four years in December. In 2003 SOFI made enormous efforts to inform the private sector about investment opportunities in developing countries and on the proper instruments to facilitate this process. To do this it organized 50 trade missions, conferences and seminars in various parts of the world, bringing information to some 500 companies, in addition to providing financial, advisory and commercial planning services for some 200 projects.

### Innovative commitments

In 2003 seco launched approximately 80 new operations, each of which represents an average commitment of CHF 3.5 million. Part of these

operations are based on proven instruments, others are innovative in nature. A «green» financial mechanism was thus launched in Colombia and Peru to support those SMEs seeking to improve their eco-efficiency. In Ghana a project supports the development of new procurement procedural rules. And finally, seco helps to reinforce the capacities of West African countries in the framework of multilateral trade negotiations.

At the beginning of May, Federal Councilor Joseph Deiss participated in an annual meeting of the European Bank for Reconstruction and Development (EBRD) in Tashkent, Uzbekistan. Not only was this the first time that such a meeting was held in Central Asia, it was also a fairly significant choice for Switzerland which heads a voting group in the EBRD made up of several countries from that area. During his stay, the head of the Federal Department of Economic Affairs signed three new cooperation agreements, all of which are to be financed by seco.

In another event, the members of the World Trade Organization (WTO) met to negotiate the rules of international trade in a meeting in September in Cancún. As the meeting approached, seco made a point of recalling the fact that equitable trade is vital to disadvantaged producers. It financed the organization of the *Fair Trade Fair* on 1 September in Bern consisting of a large market and various information stands, as well as a symposium dedicated to the challenges of world trade. Several days later Switzerland supported another fair trade fair in Cancún on the fringes of the WTO summit.

### Example: A Swiss-Jordanian Internet platform

Switzerland and Jordan have joined to create an Internet platform for companies who do business in information and communications technologies. Under the address [www.trado.org](http://www.trado.org), suppliers and customers can interact in real time and develop commercial activities on the two markets. The TRADO (Trade Opportunities) project is based on a partnership between seco, the Jordanian government and the private sector. Inaugurated in 2002, it quickly expanded into an international network. In December 2003, during the World Summit on the Information Society in Geneva, agreements were signed with six other countries, increasing the number of companies registered with TRADO to 400.

# Humanitarian aid

As a specific expression of Swiss solidarity, the mission of humanitarian aid is to save lives and relieve suffering in times of crises, conflicts or disasters. In its *Strategy 2005* report Swiss humanitarian aid gives itself four principle tasks: emergency aid, disaster prevention, reconstruction and advocacy on behalf of victims, the last of which found special emphasis in 2003.

On 15-16 February Switzerland organized an international meeting in Geneva which addressed the humanitarian consequences of the imminent war in Iraq. The success of this conference conferred Switzerland with a new international status. In addition to these diplomatic efforts, the SDC intensified its direct aid to Iraq, where it has had humanitarian programs since 1993.

## Rape as a weapon of war

Much less media coverage was given to a human catastrophe which unfolded parallel to the Iraq crisis. In the Democratic Republic of the Congo armed groups conducted a veritable war against the civilian population. Acting on orders, the soldiers systematically raped women and girls. Faced with such massive abuse of human rights, humanitarian aid reached a limit in its capacity to help. The SDC thus also initiated actions advocating the cause of the victims, demanding the implementation of other measures to stop these atrocities.

Besides the crises in Iraq and the Congo which required special attention in 2003, the Swiss Humanitarian Aid Unit (SHA) was also active in 54 other countries where it helped populations who were victims of internal conflicts, floods, drought or extreme cold. The Swiss Rescue Chain

intervened in two regions which experienced deadly earthquakes, namely northern Algeria in May, and Bam, Iran in December.

## Increased collaboration with the UN

Humanitarian aid expenditures are financed by a framework credit of CHF 1.5 billion which became effective in 2002 and covers a period of at least four years. According to the proportion established several years ago, one third of the budget covers bilateral programs of the Swiss Humanitarian Aid Unit (SHA) and contributions to programs run by Swiss aid organizations. Another third goes to the International Committee of the Red Cross, and the remaining third is divided among various humanitarian organizations of the United Nations, including the Office of the UN High Commissioner for Refugees (UNHCR), the World Food Programme (WFP) and the Office for the Coordination of Humanitarian Affairs (OCHA).

Since 2002, the Swiss Humanitarian Aid Department has intensified its cooperation with diverse UN bodies. And from 2003 until June 2004, Toni Frisch, the head of the department, chairs two groups of donors, one with the OCHA, and the other with the International Strategy for Disaster Reduction.

For the second consecutive year, Switzerland took part in November in the launch of a United Nations humanitarian appeal which was organized simultaneously in six large cities around the world. The ceremony marking the event in Geneva was financed by the SDC.



## Example: Neighbors help neighbors following earthquakes in Turkey

Ever since 1999 the Swiss Humanitarian Aid Department has been active in those regions of Turkey which pose a major seismic risk. Its special efforts are aimed at preparing the civilian population for a possible disaster. In the event of an earthquake, more than 95 percent of the victims are usually saved by relatives or neighbors. Based on this fact the SDC and its Turkish partners set up a project whose purpose is to train, equip and institutionalize groups of volunteers based in the individual communities. To date there are already more than a thousand extremely motivated rescuers, both men and women, who have been trained in 22 districts. Plans already exist to repeat this novel approach in other regions of the world.

# Statistics 2003

## Overview

### Official assistance to developing countries (ODA) and countries in transition (OA)

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## Introduction

The federal law of 19 March 1976 on international development cooperation and humanitarian aid, as well as the federal decree concerning cooperation with the states of Eastern Europe of 24 March 1995 are the legal foundation for development assistance of the Swiss Confederation. Two federal offices are responsible for the concept and implementation of the goals set down in the law. The **Swiss Agency for Development and Cooperation (SDC)** is in charge of development cooperation projects and programs, humanitarian aid and technical cooperation with Eastern Europe and the Commonwealth of Independent States (CIS). The **State Secretariat for Economic Affairs (seco)** deals with economic and trade policy measures and financial cooperation with Eastern Europe and the CIS.

The OECD defines **official development assistance (ODA)**

as the total of financial flows which

- originate in the public sector (Confederation, cantons and communes)
- aim essentially at facilitating economic and social development of recipient countries
- are granted at concessional conditions in the form of grants and low-interest loans
- are intended for developing countries or territories (present figure 150) as well as the multilateral organizations on the list compiled by the OECD.

### Official assistance (OA)

follows the same four criteria, but the list of recipient countries is different. Official assistance goes to countries in transition; that is the 12 countries of Eastern Europe and the Commonwealth of Independent States (CIS) as well as 24 more advanced developing countries and territories.

### ODA and SDC/seco expenditures

Swiss international cooperation is calculated in ODA for purposes of international comparison. Swiss ODA includes mainly SDC and seco expenditures, but also those of other federal offices, the cantons and communes. To calculate ODA requires statistical adjustment taking into account OECD directives. This means that a part of SDC/seco expenditures not going to developing countries do not appear in the ODA calculation.

Symbols:

0.0 = less than the unit shown

- = nil

.. = unavailable

More detailed figures appear in the annual brochure «Swiss Aid to Developing Countries and Countries in Transition».

**Table 1**  
Swiss official assistance to developing countries (ODA) and countries in transition (OA) 2003 (mil. CHF)

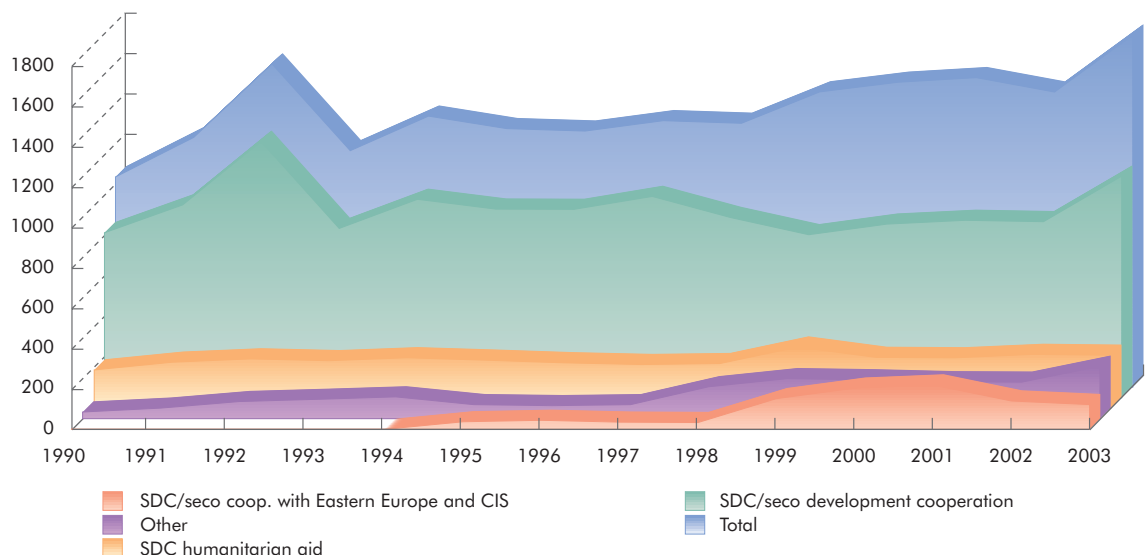
	2003				2002	
	Bilateral ODA	Multi-lateral ODA	Total ODA	Total OA	Total ODA	Total OA
<b>Confederation</b>	<b>1'248.6</b>	<b>470.5</b>	<b>1'719.1</b>	<b>101.2</b>	<b>1'437.2</b>	<b>98.9</b>
<b>Swiss Agency for Development and Cooperation (SDC)</b>	<b>871.7</b>	<b>400.6</b>	<b>1'272.3</b>	<b>42.3</b>	<b>1'049.8</b>	<b>65.4</b>
Humanitarian Aid	234.7	28.5	263.2	9.5	267.5	32.8
Development Cooperation	566.6	372.1	938.7	1.0	715.7	0.7
Cooperation with Eastern Europe and CIS	70.4	–	70.4	31.7	66.6	31.9
<b>State Secretariat for Economic Affairs (seco)</b>	<b>200.2</b>	<b>12.0</b>	<b>212.2</b>	<b>51.8</b>	<b>231.0</b>	<b>28.2</b>
Development Cooperation	148.0	12.0	160.0	–	156.9	0.2
Cooperation with Eastern Europe and CIS	52.2	–	52.2	51.8	74.1	28.0
<b>Other federal offices</b>	<b>176.7</b>	<b>57.9</b>	<b>234.7</b>	<b>7.1</b>	<b>156.4</b>	<b>5.3</b>
<b>Cantons and communes<sup>a)</sup></b>	<b>25.8</b>	<b>–</b>	<b>25.8</b>	<b>2.7</b>	<b>25.0</b>	<b>3.0</b>
<b>Total</b>	<b>1'274.4</b>	<b>470.5</b>	<b>1'744.9</b>	<b>103.8</b>	<b>1'462.2</b>	<b>101.9</b>
ODA in % of GNI			<b>0.38%</b>		<b>0.33%</b>	

a) Provisional figures for 2003.

The SDC and seco contribute up to 85% of the amounts going to Swiss official assistance to developing countries (ODA) and transitional countries (OA). When making international comparisons and tracing historical developments in assistance, ODA is the reference point. In 2003, Swiss ODA came to CHF 1.745 billion, or 0.38% of gross national income. The increase in 2003 is due partly to the deferred payment of the first Swiss contribution to IDA-13, which was initially scheduled for 2002 and partly to adjustments in the practice of statistical notification to reflect developments in international cooperation. From 2003, Swiss ODA also includes new operations in the fields of peacekeeping and security, as well as the cancellation of certain debts of developing countries.

This influenced the breakdown of broad aid categories. In 2003, SDC/seco development cooperation took up nearly two-thirds of ODA, while humanitarian aid and cooperation with the countries of Eastern Europe, defined as developing countries experienced a drop in the percentage of assistance (15% and 7% respectively).

**Graph 1**  
Swiss ODA by aid category 1990-2003 (mil. CHF)



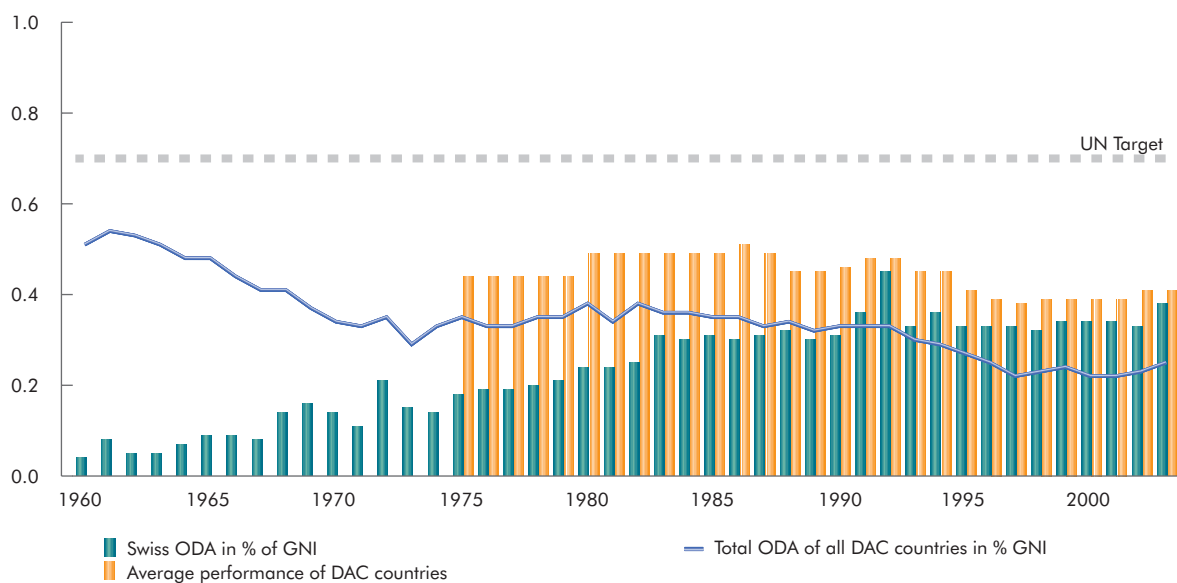
**Table 2**  
Development of Swiss ODA and NGO donations 1960-2003 (billion CHF)

	1960	1970	1980	1990	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<b>ODA</b>	<b>0.02</b>	<b>0.13</b>	<b>0.42</b>	<b>1.04</b>	<b>1.34</b>	<b>1.28</b>	<b>1.27</b>	<b>1.32</b>	<b>1.31</b>	<b>1.46</b>	<b>1.51</b>	<b>1.53</b>	<b>1.46</b>	<b>1.74</b>
GNI <sup>a)</sup>	37.1	92.6	177.3	338.5	376.7	384.5	387.7	402.1	414.6	426.3	450.6	446.1	445.8	453.3
<b>ODA in % of GNI</b>	<b>0.04</b>	<b>0.14</b>	<b>0.24</b>	<b>0.31</b>	<b>0.36</b>	<b>0.33</b>	<b>0.33</b>	<b>0.33</b>	<b>0.32</b>	<b>0.34</b>	<b>0.34</b>	<b>0.34</b>	<b>0.33</b>	<b>0.38</b>
ODA in % of expenditures by the Confederation	0.58	1.66	2.41	3.29	3.15	3.13	2.87	2.82	2.77	3.10	3.21	3.05	2.88	3.49
Private NGO donations	..	0.05	0.11	0.15	0.23	0.22	0.23	0.23	0.25	0.28	0.27	0.32	0.30	..

<sup>a)</sup> GNI from 1990, GNP for preceding years. GNI 2002 revised by the Federal Finance Administration.

Measured in percentage of gross national income (GNI, previously GNP), Swiss ODA increased steadily until 1990 before stabilizing at an average of around 0.34% during the past decade. Private donations by Swiss NGOs have increased steadily, reaching 0.07% of GNI.

**Graph 2**  
ODA in % of Swiss GNI and DAC countries 1960-2003



After a general decline over the past 40 years, the global percentage of ODA/GNI from member countries of the Development Assistance Committee (DAC) of the OECD increased in 2003 to 0.25% against 0.23% in 2002. The average performance of DAC countries (the average of individual ODA/GNI percentages) increased to 0.41%. Switzerland is 9<sup>th</sup> of 22 DAC countries in terms of ODA/GNI percentage and 14<sup>th</sup> in absolute figures.

**Table 3**  
**Swiss multilateral ODA in 2003, general contributions (mil. CHF)**

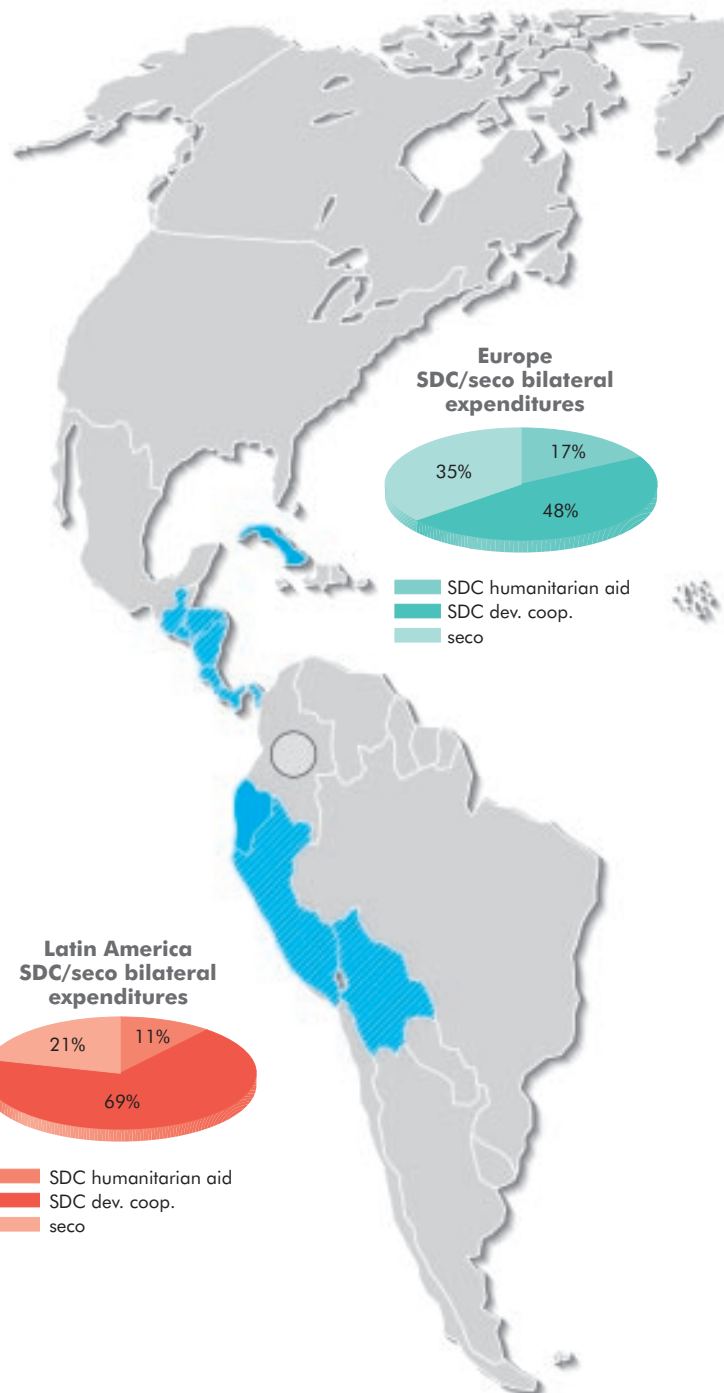
	2003	2002
<b>United Nations Organizations (UN)</b>	<b>139.8</b>	<b>144.2</b>
UN Development Programme (UNDP)	52.0	52.0
UN Children's Fund (UNICEF)	18.0	18.0
UN High Commissioner for Refugees (UNHCR)	13.0	13.5
UN Population Fund (UNFPA)	12.5	12.5
UN Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)	10.8	11.8
Special programmes of the World Health Organisation (WHO)	5.0	5.0
Joint UN Programme on HIV/AIDS (UNAIDS)	4.0	4.0
UN Office for the Coordination of Humanitarian Affairs (OCHA)	2.2	2.0
UN Industrial Development Organization (UNIDO)	1.8	1.9
World Food Programme (WFP)	1.5	1.5
UN Development Fund for Women (UNIFEM)	0.9	0.8
UN Volunteers Programme (UNV)	0.6	0.6
UN Convention to Combat Desertification (UNCCD)	0.3	0.6
Other UN organizations	17.3	20.0
<b>Financial development institutions</b>	<b>285.2</b>	<b>86.8</b>
African Development Bank (AfDB)	1.8	1.8
African Development Fund (AfDF)	71.6	46.0
Asian Development Fund (AsDF)	13.9	13.9
Inter-American Development Bank (IDB)	1.3	1.5
International Development Association (IDA)	176.9	–
Heavily Indebted Poor Countries Fund (HIPC)	4.9	7.6
IMF Poverty Reduction and Growth Facility (PRGF)	8.7	9.5
Trust Fund of the International Monetary Fund (IMF)	6.0	6.5
<b>Other multilateral institutions</b>	<b>45.5</b>	<b>38.9</b>
Global Environment Facility (GEF)	17.7	11.6
Consultative Group for International Agricultural Research (CGIAR)	10.8	10.9
International Tropical Timber Organisation (ITTO)	4.6	4.4
Intergovernmental Agency of la Francophonie (AIF)	4.3	4.4
Montreal Protocol on Substances that deplete the Ozone Layer	4.0	3.0
International Center for Diarrhoeal Disease Research (ICDDR)	1.1	0.9
International Organization for Migration (IOM)	1.0	1.1
World Conservation Union (IUCN)	0.7	1.8
Other multilateral institutions	1.2	1.1
<b>Total multilateral ODA</b>	<b>470.5</b>	<b>270.0</b>

According to the CAD/OECD definition, multilateral ODA consists of the general contributions paid to international development institutions (intergovernmental) defined as such by the DAC. Institutions such as the ICRC and the GFATM therefore do not appear on the DAC list; as a result the contributions to these institutions appear in bilateral ODA accounts.

Compared to the previous year, the contributions to multilateral ODA paid to UN institutions and to other multilateral institutions have remained virtually stable while contributions to international financial institutions (IFIs), notably to IDA-13 and to FAD-9 have increased considerably. However it should be noted that for the IFIs the recording of contributions takes place at the time of deposit and not of the encashment of «notes» (sight drafts). That means there could be important differences from one year to the next.

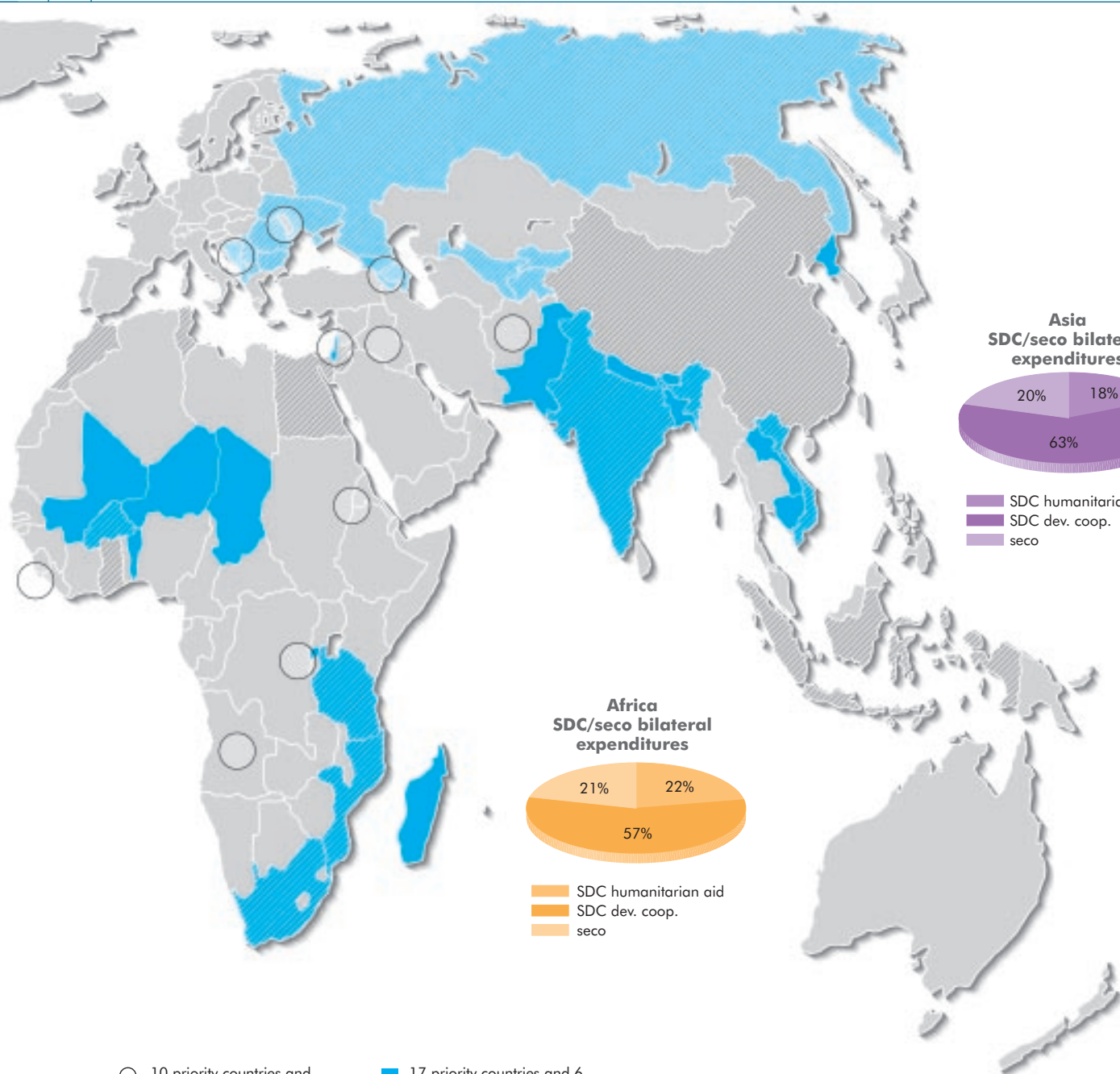
**Table 4**  
Geographical break-down of SDC/seco expenditures/bilateral ODA in 2003 (mil.CHF)

	SDC hum. aid	SDC dev. & East	seco dev. & East	Total SDC/seco	ODA
<b>Africa</b>	<b>61.0</b>	<b>161.2</b>	<b>58.9</b>	<b>281.1</b>	<b>344.1</b>
Tanzania	3.1	22.4	8.1	33.6	34.4
Burkina Faso	0.5	18.4	8.0	27.0	27.7
Mozambique	0.2	16.5	8.9	25.6	28.0
Congo (D.R.)	5.6	0.8	7.5	13.8	46.7
Chad	0.7	12.2	–	12.9	13.6
Mali	0.2	10.7	0.5	11.4	11.9
Ghana	0.2	0.5	9.7	10.4	10.4
Niger	0.0	10.1	–	10.1	10.2
South Africa	0.4	7.8	1.8	10.0	10.4
Benin	0.2	9.1	–	9.3	9.4
Rwanda	3.0	5.9	–	8.8	9.2
Angola	7.8	0.2	–	8.0	9.3
Sudan	6.9	0.4	–	7.3	10.2
Ethiopia	5.0	1.5	–	6.5	7.1
Madagascar	1.8	4.5	–	6.3	7.0
Morocco	0.0	1.2	3.0	4.3	4.6
Burundi	3.0	1.0	–	4.0	4.4
Liberia	3.7	–	–	3.7	3.8
Senegal	0.3	3.4	–	3.7	4.3
Sierra Leone	3.5	–	–	3.5	12.9
Cape Verde	–	3.4	–	3.4	3.5
Egypt	–	0.9	2.4	3.4	3.7
Cameroon	0.0	2.5	0.0	2.6	3.6
Other countries	10.2	8.4	0.5	19.1	22.7
Regions and unclassified	4.5	19.5	8.5	32.5	35.0
<b>Latin America</b>	<b>13.5</b>	<b>86.4</b>	<b>25.8</b>	<b>125.7</b>	<b>136.2</b>
Peru	2.0	13.8	4.6	20.4	21.1
Nicaragua	1.2	9.2	9.0	19.3	20.3
Bolivia	0.2	18.2	0.3	18.7	19.2
Colombia	5.0	2.7	8.2	15.9	18.4
Ecuador	0.0	9.5	–	9.5	10.2
Brazil	1.6	1.8	0.7	4.1	5.6
Cuba	0.7	3.3	–	4.0	4.4
Haiti	0.1	3.2	–	3.3	3.8
Guatemala	0.8	2.3	0.2	3.2	4.1
Other countries	0.9	8.1	–	9.1	10.7
Regions and unclassified	1.0	14.3	2.9	18.2	18.3
<b>Asia</b>	<b>49.3</b>	<b>174.9</b>	<b>55.6</b>	<b>279.8</b>	<b>295.2</b>
India	–	30.1	1.9	31.9	33.0
Nepal	0.7	18.7	–	19.4	19.4
Afghanistan	14.5	4.1	–	18.6	20.2
Pakistan	1.2	16.6	–	17.8	17.9
Tajikistan	0.1	5.3	11.9	17.2	18.0
China	0.0	2.9	13.4	16.4	16.8
Palestine	5.5	10.4	–	15.9	17.7
Vietnam	0.2	13.0	1.5	14.6	15.1
Bangladesh	0.1	14.2	0.0	14.2	14.6
Kyrgyzstan	–	7.6	3.5	11.1	11.6
Georgia	6.1	3.1	–	9.2	9.3
Uzbekistan	0.1	1.1	6.5	7.7	7.9
Bhutan	–	7.7	–	7.7	7.7
Iraq	6.0	0.2	–	6.3	7.5
North Korea	1.2	4.1	–	5.3	5.4
Indonesia	1.3	2.8	1.0	5.2	5.3
Sri Lanka	2.8	2.1	–	4.9	6.8
Laos	–	4.3	–	4.3	4.3
Cambodia	–	3.6	0.4	4.1	4.3
Azerbaijan	–	1.0	2.4	3.4	3.4
Jordan	2.1	0.4	0.5	2.9	3.0
Other countries	7.4	7.0	1.0	15.5	17.6
Regions and unclassified	–	14.6	11.5	26.1	28.4



	SDC hum. aid	SDC dev. & East	seco dev. & East	Total SDC/seco	ODA
<b>Europe</b>	<b>23.4</b>	<b>67.8</b>	<b>50.2</b>	<b>141.5</b>	<b>135.5</b>
Serbia-Montenegro	5.6	11.4	12.5	29.5	77.4
Romania	0.1	7.9	11.7	19.7	
Russia	6.2	5.3	5.7	17.2	
Bosnia and Herzegovina	1.0	10.4	2.4	13.7	18.9
Albania	0.1	6.1	7.5	13.7	14.2
Bulgaria	0.4	7.2	5.5	13.0	
Ukraine	0.6	4.8	1.8	7.2	
Macedonia	0.1	5.6	0.4	6.2	6.6
Moldova	4.2	0.2	–	4.4	4.4
Other countries	5.2	4.7	1.2	11.1	6.6
Regions and unclassified	–	4.4	1.4	5.8	7.5
<b>Unclassified by continent</b>	<b>97.0</b>	<b>180.1</b>	<b>53.8</b>	<b>330.9</b>	<b>363.4</b>
<b>Total 2003</b>	<b>244.2</b>	<b>670.4</b>	<b>244.4</b>	<b>1159.0</b>	<b>1274.4</b>
<b>Total 2002</b>	<b>286.2</b>	<b>644.2</b>	<b>242.0</b>	<b>1172.4</b>	<b>1192.2</b>





○ 10 priority countries and regions for SDC humanitarian aid

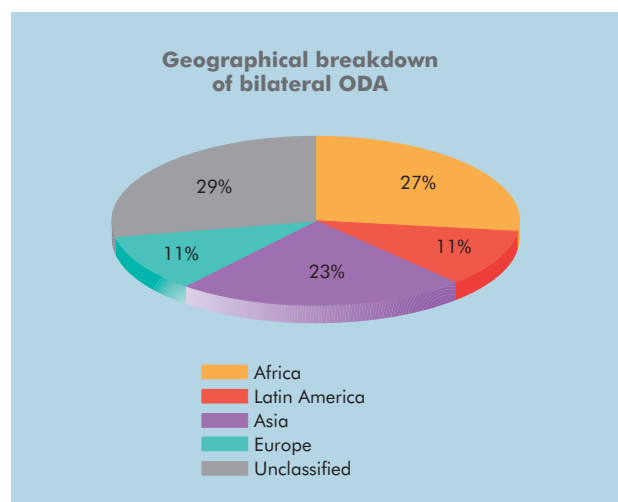
■ 17 priority countries and 6 special programs for development cooperation

■ 11 priority countries and regions for SDC cooperation with Eastern Europe and the CIS

/// Seco's 28 priority countries (16 developing countries and 12 transition countries)

**Table 5**  
Bilateral ODA according to income category 1999-2003 (mil. CHF)

	1999	2000	2001	2002	2003
Least-developed countries (LDCs)	267.9	275.5	275.9	295.7	343.0
Low-income countries	200.6	150.4	140.6	187.9	176.1
Middle-income countries	256.9	274.1	273.4	264.4	300.5
Regional projects and unclassified	392.5	361.4	406.9	444.2	454.8
<b>Total bilateral ODA</b>	<b>1'118</b>	<b>1'061</b>	<b>1'097</b>	<b>1'192</b>	<b>1'274</b>



**Table 6**  
SDC humanitarian aid 2003 (mil. CHF)

	General contributions	Specific contributions	Food aid	Total
<b>International organizations</b>	<b>28.5</b>	<b>46.2</b>	<b>18.7</b>	<b>93.4</b>
World Food Programme (WFP)	1.5	15.4	17.6	34.5
UN High Commissioner for Refugees (UNHCR)	13.0	19.1	–	32.1
UN Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA)	10.8	0.7	–	11.4
UN Office for the Coordination of Humanitarian Affairs (OCHA)	2.2	3.8	–	6.1
UN Children's Fund (UNICEF)	–	2.8	–	2.8
Other international organizations	1.0	4.4	1.0	6.4
<b>Organizations of the International Red Cross and Red Crescent</b>	<b>68.9</b>	<b>23.2</b>	<b>–</b>	<b>92.1</b>
International Committee of the Red Cross (ICRC)	68.9	21.8	–	90.7
International Federation of Red Cross and Red Crescent Societies (IFRCRCS)	–	1.4	–	1.4
<b>Swiss NGOs</b>	<b>–</b>	<b>15.7</b>	<b>11.6</b>	<b>27.4</b>
<b>Direct action by the Swiss Humanitarian Aid Unit (SHA)</b>	<b>–</b>	<b>29.5</b>	<b>0.5</b>	<b>30.0</b>
<b>Other humanitarian aid action</b>	<b>–</b>	<b>28.0</b>	<b>1.9</b>	<b>29.9</b>
<b>Total humanitarian aid 2003</b>	<b>97.4</b>	<b>142.7</b>	<b>32.7<sup>a)</sup></b>	<b>272.7</b>
<b>Total humanitarian aid 2002</b>	<b>98.8</b>	<b>185.4</b>	<b>32.0</b>	<b>316.2</b>

<sup>a)</sup> This figure includes CHF 19 million in Swiss dairy products and CHF 14 million in grain.

In 2003, around 70% of SDC humanitarian contributions went to international organizations and to organizations of the International Red Cross. The part allocated to Swiss NGOs increased to 10%, while the direct actions of the SHA accounted for 11% of the contributions of the SDC's Humanitarian Aid Department.

**Table 7**  
Missions of Swiss Humanitarian Aid Unit (SHA) 2003

Areas of specialization	Africa		Latin America		Asia		Europe		Total	
	Total missions	of which secondments <sup>a)</sup>	Total missions	of which secondments	Total missions	of which secondments	Total missions	of which secondments	Total missions	of which secondments
Logistics	29	21	5	–	28	4	28	1	90	26
Construction	16	10	3	–	18	9	32	2	69	21
Medicine	2	–	–	–	15	–	10	1	27	1
Drinking water/sanitation	8	7	–	–	4	4	5	1	17	12
Prevention/Preparedness	1	1	4	–	7	1	7	–	19	2
Information	1	1	–	–	2	1	–	–	3	2
Environment/atomic, biological, chemical (ABC)	–	–	–	–	–	–	7	–	7	–
Rescue	–	–	–	–	3	1	17	–	20	1
Other <sup>b)</sup>	89	–	–	–	21	–	–	–	110	–
<b>Total missions</b>	<b>146</b>	<b>40</b>	<b>12</b>	<b>–</b>	<b>98</b>	<b>20</b>	<b>106</b>	<b>5</b>	<b>362</b>	<b>65</b>

<sup>a)</sup> Secondments: SHA members seconded to international organizations.

<sup>b)</sup> Other: Operations by the Rapid Response Team and the Rescue Chain.

In 2003, the SHA logged 26,649 operation days.

**Table 8**  
SDC bilateral development cooperation by sectors 2003 (mil. CHF)

	Agriculture	Water, infrastructure, transport	Environment	Health, population	Education, arts, culture	Private sector, financial sector	Public sector management	Multi-sectoral	Total
<b>Africa</b>	<b>21.8</b>	<b>24.6</b>	<b>7.1</b>	<b>21.6</b>	<b>21.0</b>	<b>9.9</b>	<b>16.9</b>	<b>38.4</b>	<b>161.2</b>
Tanzania	1.0	8.2	0.1	8.5	0.1	–	1.1	3.4	22.4
Burkina Faso	0.8	1.9	0.2	0.2	5.1	2.2	1.0	6.9	18.4
Mozambique	0.9	6.6	1.2	0.5	0.7	0.1	2.7	3.7	16.5
Chad	2.4	2.2	–	1.3	0.3	0.8	0.0	5.1	12.2
Mali	2.7	0.8	0.3	2.0	0.2	1.8	1.4	1.6	10.7
Niger	2.7	2.1	0.0	0.0	0.4	0.1	0.6	4.1	10.1
Benin	0.2	0.1	–	3.1	1.1	0.8	0.5	3.5	9.1
South Africa	0.1	–	0.0	0.2	4.0	0.0	2.8	0.7	7.8
Rwanda	0.0	0.0	0.0	1.2	0.3	0.1	3.9	0.3	5.9
Madagascar	4.2	0.0	0.0	-0.1	0.1	0.2	–	0.2	4.5
<b>Latin America</b>	<b>21.5</b>	<b>8.7</b>	<b>11.2</b>	<b>2.7</b>	<b>7.4</b>	<b>12.0</b>	<b>6.5</b>	<b>16.4</b>	<b>86.4</b>
Bolivia	5.7	0.1	2.1	0.4	0.7	3.1	3.4	2.7	18.2
Nicaragua/Central America	2.4	4.1	0.7	0.6	2.3	2.8	1.6	1.9	16.2
Peru	3.0	2.4	1.3	0.4	1.6	1.8	0.6	2.6	13.8
Ecuador	2.6	–	2.0	0.4	0.1	2.0	0.0	2.4	9.5
Cuba	0.5	0.0	1.1	0.1	0.7	–	–	0.8	3.3
<b>Asia</b>	<b>34.3</b>	<b>18.1</b>	<b>22.6</b>	<b>8.8</b>	<b>20.4</b>	<b>13.2</b>	<b>11.7</b>	<b>20.6</b>	<b>149.7</b>
India	11.4	0.1	4.7	1.1	2.2	6.2	0.2	4.2	30.1
Vietnam/Mekong	4.5	3.5	3.8	2.7	3.1	0.6	2.3	0.3	20.8
Nepal	2.3	5.1	3.9	1.1	1.9	0.9	1.2	2.2	18.7
Pakistan	3.3	0.5	5.0	0.0	2.5	2.1	0.7	2.5	16.6
Bangladesh	1.5	5.6	0.2	0.9	2.8	1.9	–	1.2	14.2
Palestine	–	0.0	0.6	1.9	2.5	–	2.3	3.0	10.4
Bhutan	3.6	0.7	0.1	–	2.2	–	0.7	0.3	7.7
North Korea	2.8	–	0.0	–	–	–	0.0	1.2	4.1
<b>Europe</b>	<b>0.8</b>	<b>0.0</b>	<b>0.4</b>	<b>–</b>	<b>1.8</b>	<b>0.2</b>	<b>0.5</b>	<b>0.5</b>	<b>4.3</b>
<b>Unclassified by continent</b>	<b>5.6</b>	<b>6.1</b>	<b>12.8</b>	<b>13.1</b>	<b>11.4</b>	<b>4.5</b>	<b>4.5</b>	<b>108.7</b>	<b>166.6</b>
<b>SDC bilateral development cooperation 2003</b>	<b>84.0</b>	<b>57.4</b>	<b>54.1</b>	<b>46.1</b>	<b>62.1</b>	<b>39.7</b>	<b>40.1</b>	<b>184.6</b>	<b>568.2</b>
<b>SDC bilateral development cooperation 2002</b>	<b>82.9</b>	<b>55.6</b>	<b>51.7</b>	<b>46.9</b>	<b>60.7</b>	<b>37.7</b>	<b>30.7</b>	<b>179.5</b>	<b>545.6</b>

This table demonstrates the policy of geographical concentration of the SDC in bilateral development cooperation in 17 priority countries and regions and six SDC special programs. The SDC priority countries are long-standing partners with whom cooperation programs have been in effect for several years. They are a frame of reference for the sectoral orientation of each cooperation program.

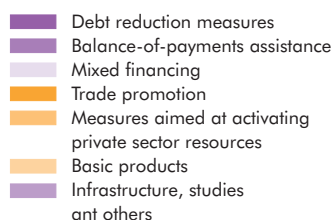
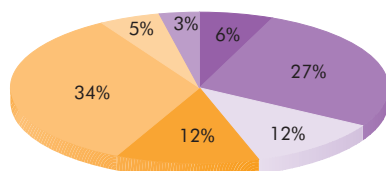
Since 2000, the SDC has been following its «Strategy 2010» which describes five priority themes: prevention and resolution of conflicts, good governance, income generation, social justice and the sustainable use of natural resources.

**Table 9**  
Seco bilateral cooperation with developing countries by instruments and continents 2003 (mil. CHF, actual expenditure)

Instruments	Africa	Latin America	Asia	Not specified	Total
Debt reduction measures	7.5	–	–	2.3	9.8
Balance-of-payments assistance	24.9	9.0	0.3	7.7	42.0
Mixed financing	2.4	3.3	12.1	0.0	17.9
Trade promotion	2.4	2.5	2.2	12.0	19.1
Measures aimed at activating private sector resources	14.1	11.7	19.4	7.8	53.0
Basic products	7.5	–	–	0.6	8.1
Infrastructure, studies and others	0.1	0.0	0.0	5.2	5.3
<b>Total 2003</b>	<b>58.9</b>	<b>26.5</b>	<b>34.1</b>	<b>35.6</b>	<b>155.1</b>
<b>Total 2002</b>	<b>62.2</b>	<b>22.1</b>	<b>37.6</b>	<b>32.0</b>	<b>153.8</b>

Africa remains the priority continent for the economic and trade cooperation programs of seco, followed by Asia and Latin America. Over the past years, particularly since the introduction of Strategy 2002-2006, the accent has been on geographical concentration. Up until 2006, seco will focus 80% of its resources on 16 priority countries in the South. At the same time, regional projects will continue to be implemented, notably in the areas of trade and investment promotion which often have more impact than specific projects in individual countries.

**Graph 3**  
Seco cooperation with developing countries by instruments 2003 (in %)



**Table 10**  
SDC/seco bilateral cooperation with Eastern Europe and the CIS by sectors and regions 2003 (mil. CHF)

SDC technical cooperation	Central Europe	South-East Europe	CIS <sup>a)</sup>	Not specified	Total
Politics and constitutional development	0.0	8.0	4.1	0.0	12.1
Economy/training	0.0	8.8	2.9	0.1	11.8
Science/culture	0.0	12.1	2.8	1.4	16.4
Agriculture	0.0	3.1	3.5	–	6.6
Health/social affairs	0.0	11.7	4.4	–	16.1
Energy/environment	0.0	5.5	9.7	0.4	15.6
Other sectors	0.0	10.9	8.7	4.0	23.6
<b>Total SDC 2003</b>	<b>0.1</b>	<b>60.1</b>	<b>36.0</b>	<b>5.9</b>	<b>102.2</b>

seco financial cooperation	Central Europe	South-East Europe	CIS <sup>a)</sup>	Not specified	Total
Energy	1.2	13.8	7.5	0.1	22.7
Environment	–	5.0	0.9	0.2	6.1
Infrastructure	–	14.9	3.7	0.4	19.0
Financial sector	–	2.2	5.3	3.2	10.7
Trade	–	1.0	1.9	5.8	8.7
Investment promotion	–	3.2	10.6	1.7	15.4
Other sectors	–	3.7	4.4	5.5	13.6
<b>Total seco 2003</b>	<b>1.2</b>	<b>43.8</b>	<b>34.3</b>	<b>16.9</b>	<b>96.3</b>

<b>Total SDC/seco 2003</b>	<b>1.3</b>	<b>103.9</b>	<b>70.4</b>	<b>22.8</b>	<b>198.5</b>
<b>Total SDC/seco 2002</b>	<b>0.3</b>	<b>99.2</b>	<b>74.0</b>	<b>19.5</b>	<b>193.1</b>

<sup>a)</sup> Commonwealth of Independent States

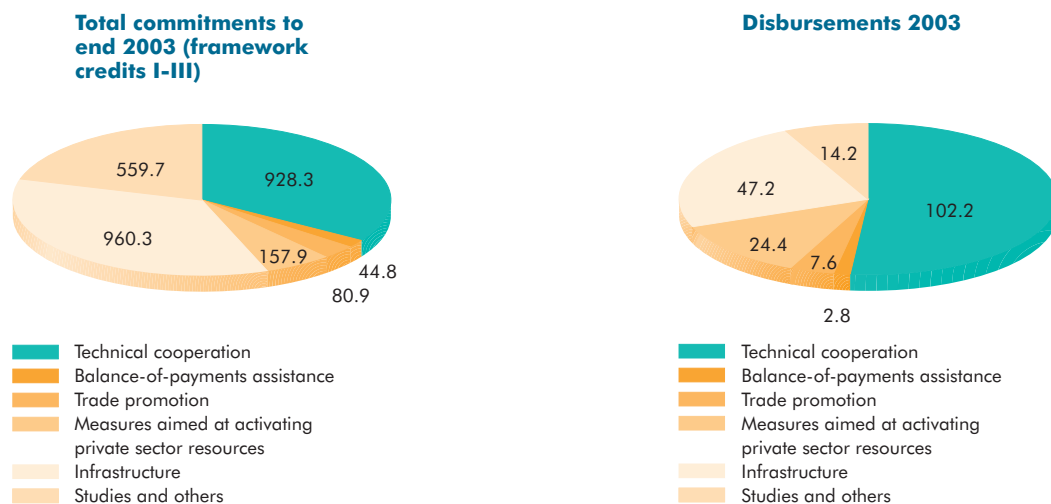
The SDC and seco work together to define technical and financial cooperation projects with the countries of Eastern Europe and the CIS. The financial resources needed are requested in the form of joint framework credits.

The SDC applies its resources to programs and projects aimed at promoting democratization, the rule of law and a social market economy. The development of state structures, decentralization, support for small and medium-sized businesses, reforms in the health sector and the sustainable use of natural resources are among its priorities.

Seco mainly supports efforts to develop basic infrastructures. This can include certain projects from the energy and environment sectors. Further priorities are in the financial sector, in private sector development and the promotion of investment and trade.

**Graph 4**

SDC/seco cooperation with Eastern Europe and the CIS by instruments (mil. CHF)



**Table 11**  
SDC/seco cooperation with Swiss NGOs 2003 (mil. CHF)

NGOs	Programme contributions	Specific mandates			Total
		SDC hum. aid	SDC dev. and East	seco	
Helvetas	10.3	0.2	23.4	1.3	35.1
Intercooperation	–	–	34.8	–	34.8
Swisscontact	5.7	–	17.8	1.0	24.4
Caritas Switzerland	4.2	6.6	1.2	–	12.1
Swiss Red Cross	3.2	2.7	2.5	0.2	8.6
Swissaid	6.3	–	0.2	–	6.5
Terre des Hommes	2.3	3.6	0.3	–	6.2
Swiss Interchurch Aid (EPER)	3.8	1.5	0.8	–	6.0
Swiss Labour Assistance (SLA)	3.2	–	2.3	–	5.5
Bread for All	4.2	–	0.0	–	4.2
Genevan Federation for Cooperation (FGC)	3.6	–	0.0	–	3.6
Catholic Lenten Fund	3.0	–	–	–	3.0
Volunteers programme UNITE	2.7	–	–	–	2.7
Interteam	2.6	–	0.1	–	2.6
Salvation Army	–	0.7	1.7	–	2.4
Kantha Bopha Foundation	–	–	2.4	–	2.4
Médecins sans Frontières (MSF)	–	2.2	0.2	–	2.3
Center for Information, Advice and Training (CINFO)	–	–	2.2	–	2.2
Education and Development Foundation	–	–	2.1	–	2.1
E-Changer	1.8	–	0.0	–	1.8
Medair	–	1.7	–	–	1.7
Pestalozzi Children's Village Foundation	1.0	–	0.6	–	1.6
Terre des Hommes Switzerland	–	1.1	0.3	–	1.5
ADRA	–	1.3	0.1	–	1.4
Swiss Peace Foundation	–	–	1.2	–	1.2
Christian Peace Service	–	0.8	0.4	–	1.1
Cimera	–	–	1.1	–	1.1
World ORT Union	–	–	1.1	–	1.1
Other NGOs	2.6	5.1	14.7	0.4	22.7
<b>Total 2003</b>	<b>60.3</b>	<b>27.4</b>	<b>111.6</b>	<b>2.9</b>	<b>202.1</b>
<b>Total 2002 <sup>a)</sup></b>	<b>61.2</b>	<b>28.9</b>	<b>123.9</b>	<b>4.0</b>	<b>218.1</b>

<sup>a)</sup> Revised figures

Over the years, the SDC and seco have developed a broad network of partners to carry out programs and projects financed by these two institutions. Cooperation can take various forms: program contributions, mandates for specific projects or tasks (studies, research, expert technical assessments, etc.) or co-financing. There is a wide choice of cooperation partners: non-governmental organizations, consultants, private companies, international organizations, semi-state institutions. These partners vary according to the nature of the programs or projects. The table above provides an overview of how the SDC and seco work together with Swiss NGOs on the basis of payments made to these organizations in 2003.

The annual **Humanitarian Aid** Day 7 March in Lucerne was dedicated to fostering a global culture of peace. A discussion between experts highlighted the importance of security for human development and humanitarian players. Several speakers touched on the humanitarian issues with respect to the impending war in Iraq and to other international trouble spots.

More than 1,500 people attended the **Annual Development Cooperation Conference** 29 August in Lausanne under the title «Vietnam: A new Asian dragon?» Discussions revolved around the challenges posed by the transition of this priority country of Swiss cooperation. In a related event, the Vietnamese Deputy Prime Minister Vu Khoan met with several members of the Swiss government.

Economic transition in South Caucasus was the focus of discussion in Bern at the annual conference on Swiss Cooperation with Eastern Europe and the Commonwealth of Independent States 4 November. Political delegations from Georgia, Armenia and Azerbaijan were the guests at this 8<sup>th</sup> «**Focus on Eastern Europe**». Participants examined the problems raised by the transition process and the resulting challenges for Swiss aid.

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