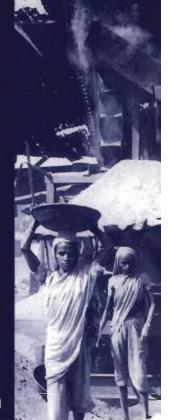


2000



#### SWISS INTERNATIONAL COOPERATION

Swiss Official Development Assistance amounts to approximately SFr. 1.4 billion per year. That is equivalent to 0.33% of gross national product (GNP) or 54 centimes per inhabitant per day. This sum accounts for the whole of the financial contributions, accompanied by preferential conditions and made to developing countries, to international institutions and non-governmental organizations by the Confederation, the cantons and communes.

What are the **objectives** in real terms? According to the Federal Law of March 19, 1976 on International Development Cooperation and Humanitarian Aid, the objectives are to «support the efforts of developing countries to improve the living conditions of their population and to assist these countries in ensuring their own development».

In March 1994, the Federal Council set out its guidelines and development policy for North-South Relations in the 1990s. These contain four main themes: the safeguarding and maintenance of peace and security together with the promotion of human rights, democracy and the rule of law, the promotion of prosperity and the strengthening of the framework conditions for sustainable development, the improvement of social justice (particularly as regards women), and lastly, protection of the environment.

Two federal offices are responsible for the concept and implementation of development and: the Swiss Agency for Development and Cooperation (SDC), part of the Federal Department of Foreign Affairs, and the State Secretariat for Economic Affairs (seco) which is part of the Federal Department for Economic Affairs. The principal instruments at their disposal are: technical cooperation; financial aid, economic and trade-measures, and hu-

manitarian aid. The SDC coordinates all the initiatives.

The Swiss Agency for Development and Cooperation (SDC) is responsible for the following four areas of activities: bilateral development cooperation, multilateral development cooperation, humanitarian aid and technical cooperation with Eastern Europe. With an annual budget of approximately SFr. 1.1 billion and over 350 staff members both at home and abroad, the SDC provides services through direct operations, by supporting the programs of multilateral organizations and by co-financing and making financial contributions to the programs of Swiss and international private aid organizations.

The aim of development cooperation is to combat poverty by providing help towards self-help. In particular, it promotes economic and government autonomy, contributes to the improvement of production conditions, helps to solve environmental problems and aims at better access to education and basic health care for the most disadvantaged population groups.

The mandate of the Swiss Confederation's Hlumanitarian Aid is to save lives and alleviate suffering. It provides direct aid in the wake of matural disasters and of armed conflict through interventions by the Swiss Disaster Relief Unit (SDR). It also supports humanitarian partner organizations.

The SDC supports the countries of Eastern Europe and the Commonwealth of Independent States (CIS) in their progress towards democracy and the market economy by transfer of know-how and assistance to problem solving.

While humanitariam aid is provided where most needed, billateral development cooperation is concentrated

on 17 target countries and regions and four countries with special programs in Africa, Asia and Latin America. Technical cooperation with Eastern Europe is concentrated on 10 countries in South-East Europe and the CIS. Most of the SDC's multilateral activities are implemented together with the UN bodies, the World Bank and the regional development banks. In all, there are at present more than 900 programs and projects of several years.

The State Secretariat for Economic Affairs (seco) determines economic and commercial measures for development cooperation, including mixed credits (involving both the Confederation and Swiss banks), balance of payment aid, trade promotion and, in collaboration with the international community, promotion of basic products. A substantial share of these measures is destined for countries of Eastern Europe and the CIS. The seco is also the main actor in the scheme to reduce the debt burden of those countries most in debt.



#### DEVELOPMENT COOPERATION

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THE MULTILATERAL APPROACH TO DEVELOPMENT COOPERATION: MEETING AN EVER-GROWING NEED

In recent years multilateral development cooperation has assumed increasing importance as a result of globalization. Today such issues as economics, the environment and health have world-wide dimensions and can no longer be resolved only at the international or regional level. What is at stake goes beyond the capacities of a single country.

This phenomenon also holds true for development aid and for this reason Switzerland attaches ever-increasing importance to multilateral cooperation. Both bilateral aid and the multilateral approach have the same objectives which include reducing poverty, good governance, safeguarding natural resources, debt clearance and promoting gender equality. In financial terms, roughly one-third of Swiss Official Development Assistance is channeled through multilateral organizations. In the year 2000 more than SFr. 330 million were made available to UN programs and the Bretton Woods institutions. Of this amount, 170 million were devoted to the UN's development and humanitarian aid activities, placing Switzerland among the top 12 donor countries.

#### Making aid more effective

This money has funded concrete programs in a number of sectors touching the daily lives of the most disadvantaged. For this reason the Swiss Agency for Development and Cooperation (SDC) decided to feature in this year's report some of the many aspects of multilateral cooperation. The institutions mentioned are among those to which Switzerland gives priority. To avoid spreading its resources too thinly, it applies the same principle to multilateral aid as it does to its bilateral efforts, concentrating resources to achieve the best possible results.







Of course Switzerland's role is not limited to that of an external donor and observer. By its presence in several controlling bodies it takes part in decision-making and exercises the right to supervise the way projects are carried out. In addition, the multilateral cooperation institutions act as the driving force in the broad discussions concerning the next challenges now facing humanity: how to achieve a lasting reduction of poverty, the sharing of water resources, the transfer of know-how and technology, the struggle against AIDS and protecting the environment.

The SDC and the State Secretariat for Economic Affairs (seco) take part in the meetings and major international conferences on these themes. Each year their programs are more finely tuned to achieving greater coordination and the exploitation of synergies required of the main-multi-lateral donors. Working together, the two departments define the country's multilateral aid policy.

#### Minimizing the environmental impact of industry

Where bilateral aid is concerned, each department is responsible for its own field. The seco manages some of the environment-related programs. In this report it has thus chosen to present some of the issues connected with the transfer of environmental technology.

Environmental protection is one of seco's priorities. This consideration is all too often sacrificed to the imperatives of industrial growth and job creation in developing countries undergoing rapid expansion. The impact on the environment is becoming more and more serious and, in general, legislation governing industrial activities is deficient. For its part, having adopted a rigorous approach to environmental protection many years ago, Switzerland has built up a wealth of experience in the technological and regulatory domains.

Such concepts as environmental efficiency, waste reduction, pollution prevention and cleaner production are being exported to developing countries through cleaner production centers which provide companies with information and know-how. The objectives are to reduce production costs, protect human health and minimize the impact of industrial activities on resources and the environment. Using cleaner production technologies can reduce the consumption of raw materials, energy and water, partially or completely eliminate the use of toxic or chemical substances and reduce the amount of waste generated. These measures all contribute to an economically and environmentally sustainable form of development.

Walter Fust Ambassador Director, SDC

David Syz State Secretary Director, seco

hans





#### INVOLVING THE BENEFICIARIES



Through its multilateral aid effort, Switzerland contributes both to international financial institutions such as the World Bank (WB) and regional development banks, as well as to the United Nations system. The five articles which follow describe aid projects which correspond to the need to concentrate resources to tackle global issues.

The first two articles touch on a new approach to fighting poverty introduced in 1999 by the WB and the International Monetary Fund (IMF). The new mechanisms established by the Bretton Woods institutions are the Poverty Reduction Strategy Papers (PRSP) and the Comprehensive Development Framework (CDF). The aim is to ensure that strategies for combating poverty are discussed and developed in the beneficiary countries themselves, both by national authorities and by the various protagonists of civil society.

#### **5wiss support**

This initiative is a way of teaching donor institutions to be more attentive to the governments and populations to which they give development aid and to be more effective partners. The new instruments will replace the old structural adjustment programs and will lead to an easing of the debt burden if they are approved by the WB and the IMF. Following the example of Mozambique and Bolivia, other countries have set about formulating a PRSP or a CDF, and Switzerland is giving financial support to several target countries which have taken this route.

The third article deals with the important role played by the United Nations Development Program (UNDP) which coordinates the development cooperation efforts of the many UN bodies. Almost 60% of the Swiss contribution to United Nations development activities goes to the UNDP which provides its partner countries with advice and support in fighting poverty, promoting good governance, managing the environment and promoting gender equality.

#### The value of research

Another aspect of multilateral aid is research. Research projects in the fields of health and agriculture are the subject of the following two articles. The research center in Bangladesh has played a pioneering role in the struggle against cholera. This program has been supported bilaterally by the SDC for more than 20 years and, in view of the international importance of health research, has now been transferred to the multilateral portfolio. The center has been responsible for the widespread dissemination of knowledge which has in many cases provided a basis for government action against epidemics of diarrhoeic diseases.

For its part, the Consultative Group for International Agricultural Research (CGIAR) aims to promote a form of agriculture which will ensure greater food security and sustainable development in developing countries. Priority is given to projects with an international dimension, like the one described here. Most CGIAR research centers are located in the countries of the South.

#### AN ACTION PLAN TO REDUCE POVERTY IN MOZAMBIQUE

Almost 70% of the population of Mozambique lives in a state of destitution. A lack of resources, an absence of medical care and illiteracy are the lot of most of the country's 19 million inhabitants. Mozambique is still one of the poorest countries in the world and the situation has scarcely changed, despite economic growth of more than 10% between 1996 and 1999. The government has decided to take up the fundamental challenge of reducing misery and, with this in mind, has pre-

Fund. Among other benefits, it should result in debt relief.

#### The nature of poverty

Prior to mapping out objectives it was necessary to draw up a kind of inventory of poverty in Mozambique and answer a few questions. Who are the poor and why are they poor? Where do they live? What are the obstacles preventing the poor from participating in growth? How can government meas-

erally so as to open up entire regions and give them access to markets for their produce. Crop diversification will also be encouraged and small farmers better equipped and given security of land tenure

#### Multilevel action

Given the complexity of poverty as a phenomenon, other parameters must be taken into account when combating the destitution of Mozambican so-



pared a strategic framework to fight poverty.

The Mozambican authorities have drawn up an action plan reflecting their determination to improve the living conditions of the most destitute. The plan sets out strategies and lists priorities. Civilsociety, democratically-elected institutions and non-governmental organizations are also involved in the process and are highlighting the links between politics and poverty. The plan, formulated as a PRSP (Poverty Reduction Strategy Paper), was to be approved in March 2001 by the World Bank and the International Monetary

ures be made more effective? How can a poverty reduction strategy be linked to macroeconomic developments? How does one measure economic and social progress? This effort to define national and provincial poverty profiles was funded by the SDC.

The first answers showed that agriculture was the main occupation of 80% of Mozambique's inhabitants, and particularly of the poor. Increasing the productivity of this sector should have an immediate impact on poverty This being the case, the need is to invest in rural areas: improve the road network, energy supplies and infrastructure gen-

crety. The government is thus proposing to increase spending in the areas of education and health. It is also committed to strengthening democracy, improving public order and working to reduce discrimination against women and regional inequalities.

These measures will not provide an instant solution, but they should usher in a gradual process of change, Implementation of the PRSP will be spread over three years beginning in 2001. The objective over the next 10 years is to reduce poverty by 20%.

#### A PILOT INITIATIVE IN BOLIVIA



For some years Bolivia has been engaged in a process of reform, the main aim of which is to combat poverty. Regarded as the poorest country in Latin America, Bolivia is emerging as a pioneer in this field, having managed to formulate a strategy which involves all the protagonists of economic and social life: government, donor agencies, civil society and the private sector These partners have decided to join forces to reduce poverty and achieve a sustainable and equitable development.

The process began with the realization that it was essential to have a global vision of the problems before trying to find solutions. In 1997, a platform for national dialogue was instituted bringing together representatives of every area of Bolivian society. This resulted first in the establishment of a «nuevo marco» (new framework) regulating relations between the government and development agencies, and second in an action plan entitled «para vivir

mejor» (for a better way of life). The dialogue was open to groups who, until that time, had never been involved in decision-making. Local authorities were also consulted to set objectives.

#### Multiple initiatives

This national action plan, due to run for five years, takes the form of a Comprehensive Development Framework (CDF), part of a new approach introduced by the World Bank. Regarded as a pilot project, the Bolivian plan rests on four pillars: opportunity, fairness, institutional development and dignity. These concepts encompass a whole range of initiatives in the economic and social fields intended to reduce poverty and social exclusion.

Many of the parameters are in fact interdependent and the success of a national project to combat poverty is subject to many conditions. For instance, fairness is not an achievable aim as long as the administration is

tainted by corruption. It is pointless building a new school in the absence of competent teachers and suitable teaching materials. And if health care is not provided from birth, the children attending school are likely to be weak and sickly. Moreover, farmers will not be able to escape from the cycle of co-caine-growing and trafficking unless they have alternative ways of making a living.

#### Better aid coordination

Bolivia is one of the first countries in which the CDF approach has begun to bear fruit. The government is introducing implementation programs in the social field. The results must be measured at regular intervals using indicators defined at the outset. The CDF is helping both donor agencies and the government to apply development aid more effectively by reducing deficiencies and avoiding duplication. The SDC has contributed to the achievement of the national dialogue and has been involved in defining the action plan. For the SDC, it is important that the CDF retain a degree of flexibility and not become a straightjacket for the country trying to implement it.



#### THE MULTILATERAL APPROACH

#### THE KEY ROLE OF THE UNDP

The United Nations Development Program (UNDP) is a very important institution within the UN family of organizations. It coordinates the UN's development activities and plays a vital role for least-favored nations. Represented in 134 countries, and running programs in no less than 168, it can boast an almost universal presence. The UNDP is concerned with concrete themes geared to improving the lot of the world's poorest peoples.

Unlike international financial institutions, it is not dominated by the industrialized nations. The countries of the South are better represented and more involved than they are in other international forums.

Every year the UNDP publishes a report giving an assessment of human development. This reference document classifies countries according to a human development indicator (HDI) which takes into account life expectancy at other UN organization: SFr. 52 million. This far exceeds the 17 million devoted to the United Nations Children's Fund (UNICEF) or the 11 million given to the United Nations Population Fund (UNFPA)

This means that Switzerland is the eighth largest donor to the UNDP. In addition to this contribution, the SDC cooperates directly with the UNDP in several countries. For instance, it is involved in setting up an emergency in-



Its principal objectives are to combat poverty, encourage good governance, work for sustainable environmental management, promote gender equality and prevent and settle conflicts. To achieve these aims as effectively as possible the UNDP gives priority to political counseling, enhancing the capacities of each country's programs, defending sustainable human development, and improving coordination among the various development programs run by UN institutions.

#### The South well represented

Politically neutral, the UNDP is a pivotal agency in North-South relations.

birth, level of education and standard of fiving – not just the gross national product (GNP) per head, which often gives too simplistic a picture

#### The important Swiss presence

The objectives established by the UNDP correspond to those advocated in Swiss development policy. The similarity of outlook has led to a significant partnership. Switzerland is very active on the executive board of the UNDP and is respected for its role as a mediator across the North-South divide.

For several years, Switzerland has contributed more to the UNDP than to any

tervention unit in Ethiopia, improving urban hygiene in Pakistan, integrating returning refugees in Rwanda, and providing vocational training for the unemployed in the Ukraine. These examples show how Switzerland can make its presence felt in many countries thanks to multilateral aid.

# MEDICAL

#### STAMPING OUT CHOLERA IN BANGLADESH



Cholera is still a major public health problem in developing countries. More than 300,000 cases are declared each year, 10,000 of which are fatal. In 1960 a research center was established in Bangladesh to combat this disease. Its field of activity has grown considerably over the years, and its efforts are now focused on child health, education in hygiene, reproductive health and the problem of AIDS. Emphasis is placed on applied prevention research.

Having contributed more than SFr. 25 million to the Dhaka Health and Population Research Center since 1980, the SDC has been one of the main donors. Still known under the initials ICDDR,B — which stands for the International Center for Diarrhoeic Diseases Research, Bangladesh — the center has played a vital role in lowering infant mortality, particularly bypromoting the oral rehydration method now used in all four parts of the world.

The ICDDR,B's long experience has made it a center of excellence in such areas as mutrition, childhood diseases and reproductive health. Roughly 200 researchers work at the center, some

20 of whom have an international reputation. As a member of the founding council, the SDC closely monitors the work of the center together with the University of Basel.

#### Oral rehydration

Early research carried out 40 years ago led to a better understanding of diarrhoeic diseases and showed the importance of oral rehydration. Cholera, caused by Vibrio bacteria, is transmitted orally, generally by the ingestion of contaminated water or foods. Diarrhoea and vomiting rapidly lead to a state of acute dehydration. In the absence of emergency treatment, the patient will the two or three days after the appearance of the first symptoms

Research has also demonstrated the importance of hygiene. Simple but lifesaving measures are now advocated: washing one's hands, sterilizing water, handling raw fruit and vegetables in a sanitary fashion, cooking food thoroughly. Mothers have learned that by following certain rules and reacting to the first symptoms, cholera can be stamped out. Rehydration makes it possible to keep a child alive during the acute phase of the illness

#### The environment

Researchers have also demonstrated that the vector of the disease thrives mainly in damp environments. Water is of course found everywhere in Bangladesh, and many areas are unhealthy, therefore likely to be breeding grounds for epidemics. A general improvement in living conditions is in fact the most effective way of preventing the spread of cholera





#### SAFEGUARDING THE BIODIVERSITY OF RICE

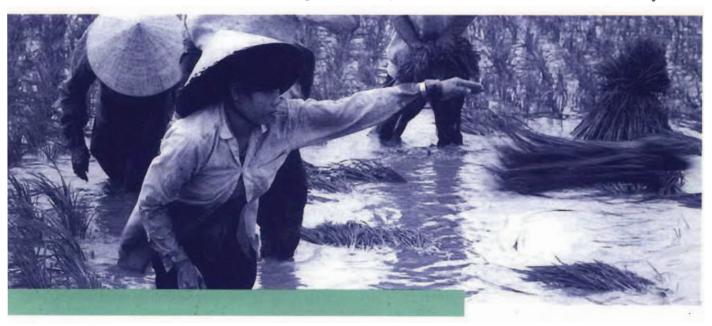
Rice is the staple food of half the world's population. It is also the subject of intensive research whose main objective is to increase yields and so attain food security in producer countries. For more than 40 years, the International Rice Research Institute (IRRI), supported by the SDC, has been making great efforts to improve the standard of living of rice farmers, particularly those in the lowest income bracket. One means of achieving this goal is respect for biodiversity.

grown varieties are japonica, which has short, rounded grains, and various fragrant types of rice, basmati from Pakistan and India, jasmine from Thailand.

The breeding of the first high-performance varieties in the 1960s was a factor in the launch of the Green Revolution, the purpose of which was to eliminate famine and make the producer countries self-sufficient in foodstufffs. The fly in the ointment during this bumper period for rice growers was the large-scale use of pesticides and

chemical herbicides. Experiments are under way on new strains of «super rice», using genes from traditional varieties in each new strain to maintain its genetic potential. The rice biodiversity program enables the preservation of this potential.

The IRRI is a member of the Consultative Group for International Agricultural Research (CGIAR), a network of 16 agricultural research centers. It is financed by 58 private and public members and has an annual budget of US\$



The Vedas, the sacred Hindu scriptures, speak of over 500,000 varieties of rice. Prior to the Second World War some 100,000 varieties: were still being grown in Asia, which proves its exceptional biodiversity—the result of a long evolutionary process. To preserve this biological wealth, the IRRI conserves no less than 86,000 varieties. The practice of selection by cross-breeding has led to the marketing of high-yielding strains. The most popular and widely

artificial fertilizers which had serious adverse effects on the environment.

#### More ecological agriculture

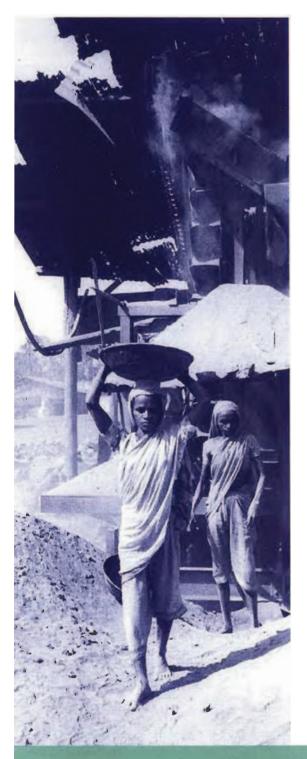
When this became evident, the new cladlenge for the IRRI was to find ways of combining greater productivity with sustainability. The agricultural revolution has to become still «greener»: producing more rice with less land and water, and without insections or

320 million. Over the last 20 years, Switzerland's direct contributions have amounted to US\$ 20 million.



#### ENVIRONMENTAL TECHNOLOGY TRANSFER

#### LEARNING HOW TO PRODUCE WITH LESS POLLUTION



The environment is suffering serious, often irreversible damage in developing or transitional countries where industry is undergoing rapid expansion At the same time, as globalization gathers pace, producers in these countries are increasingly required to comply with environmental standards. To help businesses adapt to these requirements, they are being persuaded to adopt the concept of «cleaner production». The aim is to transfer methods and know-how in the field of environmental technology which will enable them to meet the environmental standards. This know-how is being disseminated by «cleaner production centers» (CPCs) in about 10 countries by the State Secretariat for Economic Affairs (seco). The examples cited in this report show promising results at these centers.

#### Providing information and advice

CPCs offer a very wide range of services: general information about technologies which respect the environment, technical assistance, training, environmental management, energy efficiency and eco-design. The priority sectors are the textile, cement, paper, metallurgical and food industries. The information provided is concerned mainly with protecting the atmosphere, managing waste and effluent, and making efficient use of energy.

The clients are mainly small and medium-sized enterprises (SMEs), and local authorities. CPCs operate on the lines of business units and charge for their services. In the countries where they have been established, they are supported by umbrella organizations, universities and NGOs

Each CPC is also linked to a reference center in Switzerland, a country with

long experience in the field of environmental protection. Two institutions are currently fulfilling this guiding role: the Federal Materials Testing and Research Laboratory (EMPA) in St. Gallen and the University of Applied Sciences, Basel (FHBB) in Muttenz. The Swiss private sector, in particular producers of machinery and environment-friendly technology, are also committed to the CPC program.

#### Aiding sustainable development

The concept of «cleaner production» was initially developed by the United Nations Environment Program (UNEP) and the United Nations Industrial Development Organization (UNIDO). Its principal objective is to prevent and reduce industrial pollution at the beginning of and during the production cycle, rather than at the end, using environmentally-efficient production methods. It therefore leads to better use of natural resources and a reduction in pollution, and at the same time increases a business' international competitiveness.

The concept of «cleaner production» can make an important contribution to the sustainable development of developing and transitional countries because it leads to more effective use of resources, reduction in polluting emissions, and company policies based on sustainability, improved working and living conditions and assisted training. From the point of view of the individual business, it means reduced production costs, improved product quality and the right to use an environmental label. It also enhances the value of the business itself because of reduced environmental risks.

#### ENVIRONMENTAL TECHNOLOGY TRANSFER

#### EXTRACTING GRAVEL WITH A MINIMUM OF ENVIRONMENTAL DAMAGE

Environmental standards are gradually assuming greater importance in the Colombian gravel extraction industry. The environmental performance of the companies concerned has begun to improve thanks to the expertise provided by specialists as part of a coopera-



Companies which achieve a minimum standard are awarded the «Cantera verde» label which must be periodically renewed. The improvements are not concerned solely with the com-

The program, which began in 1999 and was extended to cover the entire country by the end of 2000, has resulted in significant improvements to the industry's infrastructure. The EMPA is the point of reference, At the same time, the environmental technology center in Medellin has played a coordinating role, collaborating with trade bodies and environment protection authorities. The setting up of this Colombian network has important implications for the future. After this initial phase of Swiss technical assistance, Colombia will have to assume full responsibility.



#### The Swiss Model

With this in mind, rine people from the Colombian gravel extraction industry were invited to Switzerland in August 2000 for an exchange of information and experience. In particular, the delegation was instructed on existing legislation governing the sector. The members also visited six quarries. The way is now open for a transfer of know-how between Switzerland and Colombia.

time venture between Switzerland and Colombia. The aim of the program – known as «Cantera Verde» (Spanish for green quarry) – is to increase environmentall efficiency.

Incentives are offered to ensure that the enterprises which volunteer to take part in the project gain an advantage over their competitors. They are initially inspected by experts from the Swiss Sand and Gravel Association (ASG), which is involved in the project together with the Federal Materials Testing and Research Laboratory (EMPA), and the private company EcoPartner Gmbh. The inspection results in a performance evaluation followed by recommendations on how they can produce better quality construction materials and comply more closely with environmental and safety regulations.

petitiveness of the business, but also with its environmental performance. It must take care not to pollute the groundwater, the soil or atmosphere. Working conditions are also takeminto account. Reductions in dust, soot and noise will have a positive effect on workers' health. Such improvements also help persuade local residents to accept this kind of industrial activity.



#### FINDING SOLUTIONS FOR A FERTILIZER FACTORY

Fertica is a large fertilizer manufacturing group operating in several Central American countries. Its subsidiary at Acajutla, in El Salvador, has committed itself to a process designed to reduce the pollution caused by its manufacturing activities. Supporting its endeavors is the national cleaner production center (CPC) and the Muttenz-based University of Applied Sciences, Basel (FHBB).

#### **Proposing solutions**

A number of problems were detected as a result of the operational survey. Unsuitable production methods and out-of-date machinery were causing wastage of raw materials and energy, as well as excessive air and water pollution which was endangering local residents and the environment. The survey also showed a need to improve

to offer businesses a number of shortand long-term ways of achieving sustainable improvement in their production process while at the same time protecting jobs.

#### Knowledge transfer

CPC activities have had a particularly interesting secondary effect: cooperation with official government bodies.



It has been a long haul from the declaration of intent to the implementation of the first concrete measures. The first step was to carry out a survey of the business which employs between 150 and 400 people, depending on the seasonal need for fertilizer. The plant produces phosphate fertilizers, superphosphates and sulphuric acid, which are also exported to neighboring countries. The main raw materials are sulphur, ammonium sulphate, urea, phosphates, ammonia and potassium.

health and safety measures, as the health of the workers was threatened by the large amount of dust they were breathing in.

To achieve the best results, the CPC, in conjunction with the FHBB which served as a point of reference, suggested the introduction of a series of 40 measures to the Fertica management. These were classified according to economic, ecological, technical and organizational criteria. Those considered most urgent were included in the first phase of an action plan intended to reduce pollution, which came into effect in July 2000. The FHBB's aim is

Fertica is now involved in developing environmental legislation in El Salvador. The knowledge acquired in the course of the project is proving to be of great value, particularly when it comes to setting value limits. The FHBB has added a further dimension by introducing the Salvadorean authorities to Swiss legislation in this field. This has served as a model in various areas, for example with regulations governing water pollution.

#### ENVIRONMENTAL TECHNOLOGY TRANSFER

#### A PAPER MILL COMMITTED TO ENVIRONMENTAL EFFICIENCY

The Viet Tri Paper Company, a Vietnamese paper manufacturer, is one of the country's first-businesses to have benefited from the services of a cleaner production center (CPC). The results speak for themselves: increased productivity, lower running costs and a reduction in polluting emissions. They demonstrate that cleaner production is a stage on the road to sustainable development.

In 1997, the government began privatizing a number of businesses in the industrial sector. The majority of the plants were old and inefficient. This being the case, the CPC established more than two years ago in Hanoi had no problem in recruiting enterprises wanting to undergo a cleaner production audit. The Viet Tri Paper Company was one of 13 businesses to take part in the first phase of the project which was funded by the seco.

#### Putting theory into practice

The company, which has a workforce of almost 680, appointed one person to attend the courses given by the CPC Gradually the knowledge acquired was applied to the operation of the business. International experts helped define measures enabling cleaner production while at the same time testing their financial and technical feasibility. The results, presented at the end of the training course in August 2000, showed that out of the 17 measures recommended, 11 had been put into effect and a further three were about to be. The other three still had to go through technical and financial checks.

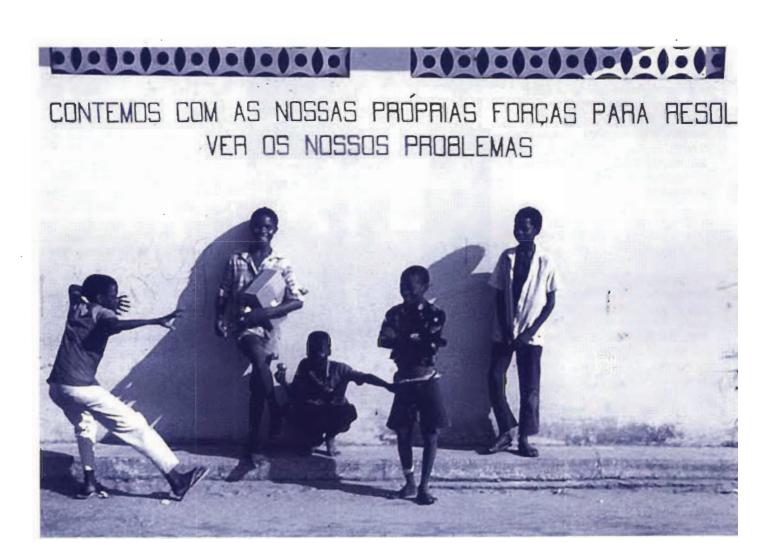
Thanks to the support of the CPC and investment of a mere US\$ 18,000, this paper mill has been able to reduce its costs by almost US\$ 160,000 and has increased its annual output of paper



from 9,000 to 11,000 tons. At the same time, the volume of effluent has been reduced by 30%. The company is continuing its efforts in sustainable development. The next step is to progress from the «cleaner production» to the «cleaner technology» stage which will require higher investments. The example of the Viet Tri Paper Company should convince other businesses in developing countries that the concept of sustainability is both useful and feasible, even when resources are limited.

#### The need for technology transfer

The 13 audits have provided the Vietnamese CPC with useful knowledge for future activities. The promotion of «cleaner production» has been decisive. Cooperation with businesses has raised further questions regarding «cleaner technology». There is a growing need to offer assistance in the areas of development and research and to make technology transfers which will improve environmental efficiency. The success of sustainable industrial development in Vietnam depends on it.



### STATISTICS

1999

Table 1
Overview of Swiss
Official Assistance
in 2000

The OECD defines Official Development Assistance (ODA) as the total of all transactions which

- · are provided by public bodies (Confederation, cantons and communes)
- are granted at concessional conditions (gifts or loans at low rates of interest)
- · have as the main objective the promotion of economic and social development of recipient countries

2000

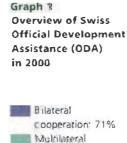
· are intended to benefit countries or territories on the list drawn up by the OECD.

This list of 164 countries and territories classified as "developing" includes, in Europe, the countries of the former Yugoslavia. Albanta, Moldova, Malta and Gibraltar.

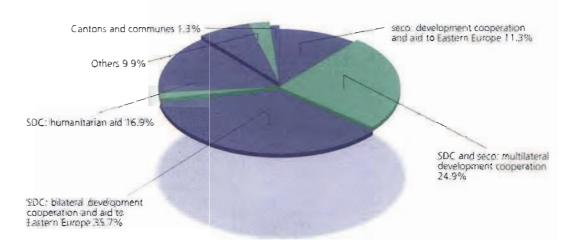
Official Assistance adheres to the same four criteria but the list of receiver countries is different. In this case, the aid goes to countries in transition, 12 of them being in Central and Eastern Europe, including Russia and 13 countries and territories considered to be at a "more advanced" stage of development, among them Israel, Hong Kong, the Bahamas and Singapore.

	2000				1999
Sources of financing					
and instruments	ODA	ODA	Official		
(million SFr.)	Bilateral	Multilateral	Assistance	Total	lotal
Confederation	1'039.5	439.3	96.1	1′575.0	11559.6
Swiss Agency for Development					
and Cooperation (SDC)	763.3	369.1	42.2	1'174.8	1'178.0
Humanitarian Ald	228.0	24.5	9.6	262.2	308.7
Development Cooperation <sup>1)</sup>	489.7	344.6	1.5	835.8	799 1
Cooperation with Eastern Europe	45.6		31.0	76.7	70.1
State Secretariat for					-
Economic Affairs (seco)	169.2	27.9	52.0	249.2	207.1
Development Cooperation	104.9	27.9		132.8	110.3
Cooperation with Eastern Europe	64.2	1000	52.0	116.3	96.8
Other departments	106.9	42.1	1.8	150.9	174.4
Cantons and communes	19.9		1.8	21.7	22.6
Humanitarian Aid	4.2		. 0.1	4.4	4.3
Development Cooperation	15.6	The same of the sa	1.7	17.3	18.2
Total	1′059.5	439.3	97.9	1'596.8	1'582.3
of which: Humanitarian Aid	311.6	24.5	9.7	346.0	403.5
Development Cooperation	637.9	414.7	5.1	1.057.7	1.011.8
Cooperation with Eastern Europe	109.9		83.1	193.0	166.9
Official Development					
Assistance (ODA)	1'059.5	439.3		1'498.8	1'478.3
GNP				436'093	417'314
Platio of ODA to GNP				0.34 %	0.35 %
Official Assistance			97.9	97.9	103.9

<sup>&</sup>quot;Multilateral financial cooperation with the World Bank, and regional development banks and funds is a "task shared by the SDC and seco" (art. 8 para. 1 of the Federal decree of 12-12 1977 on development cooperation). The corresponding funds are included in the SDC budget.



cooperation 29%



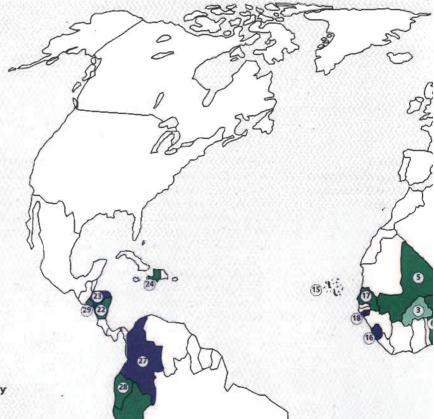
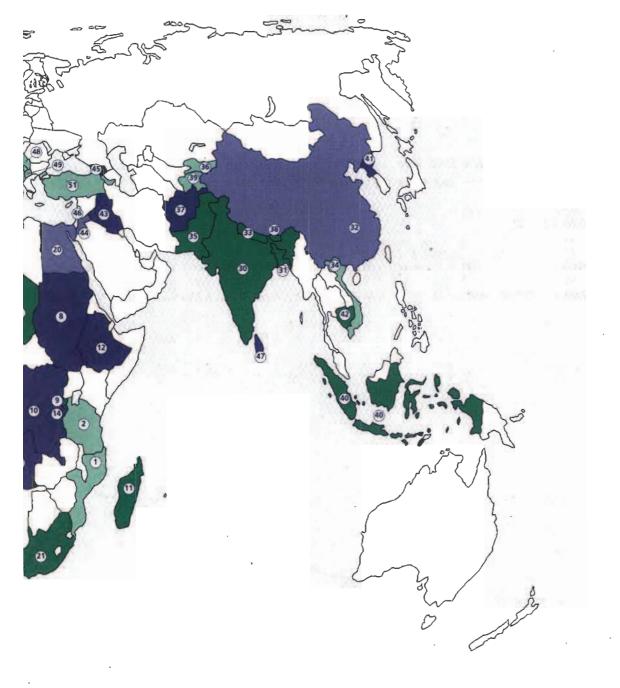


Table 2
Swiss bilateral Official Development Assistance (ODA)
Distribution by main countries and by aid category
(million SFr.)

		2000				1999
		SDC <sup>4)</sup>	seco	Other	Total	Total
Afı	rica	221.7	40.2	8.1	270.1	272.5
Lov	v-income countries	183.8	22.2	5.7	211.8	211.8
1	Mozambique	25.0	13.4	0.7	39.2	26.8
2	Tanzania	18.0	2.2	0.2	20.3	32.4
3	Burkina Faso	12.6	6.1	0.4	19.3	21.4
4	Niger	12.7		0.3	13.1	10.9
5	Malí	12.5	_	0.3	12.8	8.9
6	Benin	9.9	_	_	9.9	9.6
7	Chad	9.3		0.4	9.8	10.2
8	Sudan	9.2		-	9.3	8.1
9	Rwanda	7.2	_	-	7.2	10.6
10	Congo (D.R.)	6.4	_	0.3	5,8	6.4
11	Madagascar	5.9		0.5	6.4	9.8
12	Ethiopia	5.9	_	-	6.0	4.5
13	Angola	5.8			5.8	8.7
14	Burundi	5.7	-	-	5.7	3.8
15	Cape Verde	5.0	-		5.0	5.7
16	Sierra Leone	4.3	-	-	4.3	4.3
17	Senegal	4.1	-	0.1	4.2	5.2
18	Guinea-Bissau	4.1			4.1	1.8
19	Cameroon	2.8	-	0.6	3.5	4.1
	Other countries	16.2	0.6	1.2	18.1	17.6
Mic	ddle-Income countries	12.5	12.6	1.3	26.5	28.5
20	Egypt	0.6	10.8	0.3	11.8	16:4
21	South Africa	8.5	0.1	0.7	9.4	8.2
	Other countries	3.3	1.6	0.3	5.3	3.8
Reg	gional projects	25.4	5.3	1.0	31.8	32,1

Latin America	92.6	8.0	5.5	106.2	122.6
Low-income countries	18.6	4.9	0.9	24.5	36.7
22 Nicaragua	11.0	-	0.5	11.5	13.1
23 Hornduras	4.0	4.9	-	9.0	19.6
24 Haiti	3.5	-	0.3	3.8	3.9
Middle-income countries	55.6	3.1	4.4	63.1	61.1
25 Bolivia	15.0	2.2	0.4	17.6	17.9
26 Peru	10.0		0.5	10.5	12.2
27 Colombia	7.3	8.0	0.9	9.1	5.5
28 Ecuador	7.2	S -1	0.5	7.7	7.8
29 El Salvacion	3.9	-	0.1	4.0	2.0
Other countries	12.1	-	1.8	14.0	15.4
Regional projects	18.3	-	0.1	18.5	24.7

		2000 SDC**	seco	Other	Total	1999 Total	
Asi	a constant the same	195.7	31.6	5.8	233.2	211.0	
Lov	v-income countries	153.5	24.8	3.0	181.4	159.5	
30	India	30.2		0.6	30.8	29.5	
31	Bangladesh	24.2	-	0.4	24.5	25.8	
32	China	2.6	17.3	0.1	20.0	12.5	
33	Nepal	19.5		-	19.6	20.4	
34	Vietnam	14.5	3.0	0.3	17.9	13.5	
35	Pakistan	15.0	-	-	15.0	13 2	
36	Kyrgyzstan	. 9.3	1.1	0.6	11,1	9.3	
37	Afghanistan	8.6	-	-	8.6	41	
38	Bhutan	5.6	-	-	5.7	7 3	
39	Tajikistan	5.3	2.9	0.1	8.4	4 5	
40	Indonesia	5.6	_	0.2	5.8	8 5	
41	Korea (North)	4.3	-		4.4	3 0	
42	Cambodia	3.0	-		3.0	2.2	
	Other countries	5.3	0.2	0.1	5.7	5.2	
Mid	ldle-income countries	30.1	6.5	1.2	38.0	34.3	
43	Iraq	5.9	-	1 2	6.0	4.6	
44	Jordan	0.8	5.1	100	6.0	2.9	
45	Georgia	3.5	0.1	0.1	3.8	5 6	
46	Palestine	8.6	_	-	8.7	9.3	
47	Sri Lanka	3.0	_	0.1	3.2	3 1	
	Other countries	8.0	1.2	0.8	10.1	8.7	
Rec	lonal projects	12.0	0.2	1.4	13.8	17.1	



		2000 SDC=	seco	Other	Total	1999 Total
Eui	rope	50.1	54.8	48.8	153.8	196.5
Mic	ddle-income countries	42.1	52.0	27.1	121.3	185.9
48	F.R. of Yugoslavia (Serbia,					100
	incl. Kosovo; Montenegro)	21.9	31.1	21.8	74.8	113.6
49	Macedonia	5.0	10.3	0.1	15.4	7.9
50	Albania	7.5	3.3	0.8	11.7	27.3
51	Turkey	5.3	2.3	1.1	8.8	7.9
52	Bosnia-Herzegovina	0.9	4.9	1.2	7.0	27_3
53	Croatia	1.3	-	1.8	3.2	1.6
Rec	gional projects	8.0	2.8	21.7	32.5	10.6
Lov	v-income countries	356.0	52.0	9.7	417.8	408.1
Mic	ddle-income countries	140.4	74.3	34.2	249.0	310.0
Reg	gional projects	63.8	8.4	24.4	96.7	84.7
Un	classified geographically	193.9	34.3	67.5	295.9	297.3
Bil	ateral ODA, total	754.3	169.2	135.9	1'059	1'100

<sup>#</sup>Expenses of NGOs issued from program contributions of the SDC are included

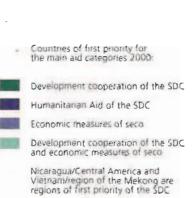
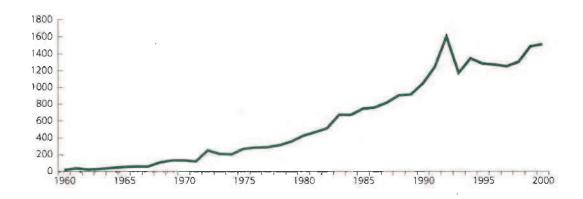


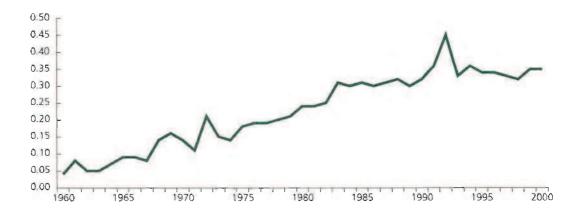
Table 3
Swiss Official
Development
Assistance (ODA)
Development since
1960 (in billion SFr. at
current value)

	1960	1970	1980	1990	1992	1993	1994	1995	1996	1997	1998	1999	2000
GNP	37.1	92.6	177.3	326.1	352.8	357.1	369.1	373.8	382.8	397.0	408.7	417.3	436.0
Spending by the													
Confederation	2.6	7.8	17.5	31.6	37.8	39.7	42.6	40.9	44.2	44.3	46.9	45.6	47.1
Public spending			- 1	1									
(Confederation													
and cantons)	6.5	20.3	47.2	86.6	102.6	108.1	114.2	111.0	115.9	117.2	120.1	119.8	122,0
ODA	0.02	0.13	0.42	1.04	1.60	1.17	1.34	1.28	1.26	1.24	1.30	1.48	1.50
NGO donations	-	0.05	0.11	0.16	0.24	0,21	0.23	0.22	0.22	0.22	0.24	0,22	
ODA in % of GNP	0.04	0.14	0.24	0.32	0.45	0.33	0.36	0.34	0.33	0.31	0.31	0.35	0.34
ODA in % of													
spending by the									-			1	
Confederation	0.58	1.66	2.41	3.29	4.24	2.95	3.15	3.13	2.86	2.81	2.77	3.25	3.18
ODA in % of public													
spending	0.23	0.64	0.90	1.20	1,56	1.08	1.18	1.15	1,09	1.06	1.08	1.24	1.23

Graph 2
Development of
Swiss Official Development Assistance
(ODA), 1960-2000
(million SFr, at current value)



Graph 3
Development of
Swiss Official Development Assistance
(ODA), 1960-2000
(in percentage of GNP)



Graph 4
Distribution of Swiss
Official Development
Assistance (ODA),
1960-2000
(million SFr, at current
value)

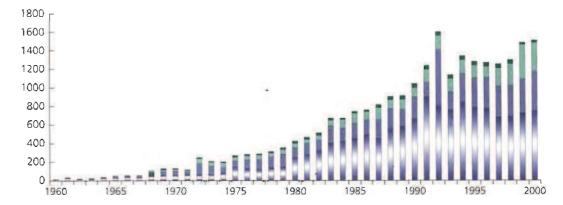


Table 4
Distribution of Swiss
Official Development
Assistance (ODA) by
country, 1963-2000
(million SFL)

	1963	1970	1980	1990	1992	1993	1994	1995	1996	1997	1998	1999	2000
Africa, total	2.5	27.3	102.5	343.7	354.9	307.3	311.9	303.8	283.9	272.1	243.3	272.5	270.
Tanzania	0.1	1.8	23.5	26.3	41.1	17.6	27.4	22,5	19.3	35.3	19.8	32.4	20.3
Mozambique	_	0.2	3.8	36.3	26.7	28.2	41.1	31.9	33.5	26.3	30.0	26.8	39.2
Burkina Faso	_	_	3.3	6.9	9.2	10.9	17.8	14,5	18.4	18.1	11.0	21.4	19.3
Egypt	_	0.3	1.5	3.6	4.4	11.5	11.9	11.7	14.5	110	10.0	16.4	11.8
Niger	-	-	2.5	8.1	9.0	19.2	7.8	8.8	8.7	8.0	8.4	10.9	13.1
Rwanda	0.2	3.2	8.7	14.1	19.4	29,9	30.9	21.0	21.7	17.6	10.1	10.6	7.2
Chad	-	0.6	0.7	7.2	10.0	12.2	9.9	7.6	8.7	14.3	9.3	10.2	9.8
Benin	-	1.3	0.9	13.3	13.6	13.0	6.6	19.3	12.8	9,9	10.0	9.6	9.9
Madagascar	0.1	0.7	4.3	44.7	26.3	24.6	20.3	20.5	15.9	13.8	9.1	9.8	
Mali	_	_	6.9	23,4	12.3	8.3	8.9	6.8	6.9	10.9	8.5	8.9	12.8
Senegal		0.1	4.3	17.3	9.1	5.2	5.2	3.4	3.0	14.3	2.4	5.2	4.2
Ethiopia	-	_	2.0	10.5	6.4	13.4	8.2	8.3	7.2	3.5	3.5	4.5	6.0
Cameroon	+	2.9	2.7	6.4	17.6	3.4	5.6	2.5	3.7	3.9	4.1	4.1	3.5
Asia, total	3.1	27.9	97.6	175.5	253.4	256.3	276.7	193.7	179.6	205.5	208.9	211.0	233.7
India	0.8	17.4	27.8	17,9	52.0	39.9	34.2	26.8	26.4	36.6	28.8	29.5	30.8
Bangladesh	-	_	18.8	13.3	27.9	21.6	28 1	14.0	15.1	12.0	33.9	25.8	24.6
Nepal	1,1	1.0	13.5	22.3	18.2	19.5	23.4	18.4	18.3	16.3	18.0	20.4	19.6
Vietnam	-	0,5	0.4	1.1	2.1	23.6	10.8	5.7	12.5	15.1	16.8	13.5	17.9
Pakistan	-	1.6	2.2	13.4	25.4	17.3	19.7	15.0	16.9	14.7	14.6	13.2	15.0
China	-	_	-	11.7	10.8	15.1	9.9	12.0	10.9	5.9	5.9	12.5	20.0
Indonesia	0.1	1.1	5.0	27.0	41.8	38.6	30.4	16.4	12.4	11.6	7.8	8.5	5.8
Bhutan	-		1.2	4,8	5.5	5.7	6.8	10.7	5.8	6.8	6.9	7.3	5.7
Latin America,													
total	5.4	14.7	36.3	90.1	116.7	90.7	135.9	114.5	122.4	95.6	100.8	122.6	106.2
Honduras	-	_	6.2	5.2	9.9	5.5	5,0	11.8	8.6	3.2	2.5	19.6	9.0
Bolivia	-	0.5	5.6	21.8	19.8	17.5	34.1	19.2	28.2	19.2	19.8	17.9	17.6
Nicaragua	-	_	0.9	8.8	6.3	8.5	11.8	22.3	14.1	5.6	12.0	13.1	11.6
Peru	0.1	2.2	4.9	14.9	22.4	10.6	9.0	10.4	15.6	15.6	12.3	12.2	10.5
Ecuador	-	2.9	1.0	5,4	11,3	6.9	7,8	9.0	9.2	8.7	8.5	7.8	7.7
Europe, total	0.1	0.6	0.6	2.7	37.2	51.7	48.7	64.0	60.2	34.4	39.4	196.5	153.8
					-								
Bilateral ODA, total	12.9	79.3	295.7	764.9	951.9	938.9	990.2	921.0	892.6	834.2	932.3	1'100	1'059

Table 5
Distribution of SDC
bilateral cooperation
activities by sector
and country
(main countries)
2000 (million SFr.)

	Agriculture	Water, Infrastructuri Transport	Environment	Health, Population	Education, Arts, Culture	Private sector, Financial sector	Public sector, Management	Multi-sectoral	Total
Africa	19	28	12	28	16	7	9	41	161
Mozambique	1	5	1	8	-	-	1	3	19
Tanzania	1	7		6	-1	-	-		16
Burkina Faso	-	2 .	-	-	2	1	2	6	12
Niger	3	5	-	-	-	-	-	3	13
Benin	2	1	-	3	2	1	-	- 2	9
Chad	2	2		1	-	-	-	4	9
Madagascar	4	~	2	-	-	-	-	-	6
Mali	1	1	3	2	-	. 3	-	3	13
Cape Verde	2	-	-	-	2	-	-	1	5
South Africa	-	-	-	-	4	-	3	1	9
Rwanda	-	-	-	1	-	1	2	1	5
Asia	28	28	25	5	16	12	5	28	147
Bangladesh	6	9	22	1	1	2	-	4	23
India	10	-	5	-	_	7	-	5	28
Nepal	1	7	4	1	2	1	-	3	20
Vietnam	-	. 3	5	_	3	_	1	1	14
Pakistan .	2	5	2	_	2	1	-	3	15
Palestine		-	2	1	3	-	-	3	8
Bhutan	2	1	1	-	2	-		1	6
Indonesia		-	2	-	-	1	1	-	5
Latin America	22	10	11	1	3	8	7	17	80
Bolivia	4	-	1	-	_	3	3	3	15
Peru	2	3	1	_	1	_	2	2	10
Ecuador	2	-	1	_	_	1	_	2	7
Nicaragua	3	3		_	_	1	1	2	11
Honduras	_	1	-	-	-	-	-	-	1
Europe	2	-	1	-	2	_	-	1	5
Unclassified geographically	6	2	8	4	10	3	3	43	80
SDC bilateral activities	77	69	57	39	47	29	24	130	473

Table 6
SDC bilateral cooperation
Breakdown of
projects according
to type of
management

	2000		1999	
	million SFr.	%	million SFr	%
Projects run by the SDC	205.9	43.8	192.0	41.3
Projects run by institutions and Swiss companies	103.8	22.1	105.2	22.6
of which: Swiss non-governmental organizations (NGOs)	71.1	15.1	69.7	15.0
Contributions to non-international				
organizations for specific projects	97.0	20.6	102.0	21.9
of which: Swiss non-governmental organizations (NGOs)	56.4	12.0	55 4	119
Contributions to international	4			
organizations for specific projects	63.8	13.6	66.3	14.2
Total bilateral cooperation	470.6	100.0	465.6	100.0

Table 7
SDC bilateral cooperation
Cooperation with
Swiss non-governmental organizations
(NGOs)

	2000			
isscontact  Ivetas  iss Red Cross (SRC)  igram of Volunteers (UNITE)  rites Switzerland  rad for All  nevan Federation for Cooperation (FGC)	Program Contributions million SFr.	Projects under SDC supervision million SFr.	Total million SFr	
Intercooperation	-	28.5	28.5	
Swisscontact	5.4	17.9	23.3	
Helvetas	10.7	20.0	30.7	
Swiss Red Cross (SRC)	3.2	0.3	3.5	
Program of Volunteers (UNITE)	7.4	-	7.4	
Caritas Switzerland	3.7	-	3.7	
Bread for All	2.5	-	2.5	
Genevan Federation for Cooperation (FGC)	4.2	-	4.2	
Swissaid	3.6	-	3.6	
Swiss Interchurch Aid (EPER)	4.5		4.5	
Catholic Lenten Fund	2.8		2.8	
Swiss Labor Assistance (OSEO)	2.1	1.3	3.4	
Festalozzi Children's Village Trust	1,3	-	1.3	

Table 8
Multilateral development cooperation
Annual contributions to international organizations

	1999 million SFr.	2000 million SFr.
United Nations Organizations	88.3	89.2
UN Development Program (UNDP), with UNCDF (UN Capital Development Fund)	52.0	52.0
UN Children's Fund (UNICEF)	17.0	17.0
UN Fund for Population Activities (UNFPA)	11,0	11.5
Special programs of the World Health Organization (WHO)	4.5	4.5
Joint program of the UN on HIV/AIDS (UNAIDS)	2.2	2.2
UN Development Fund for Women (UNIFEM)	0.7	0.8
UN Volunteers Program (UNV)	0.5	0.5
Other UN organizations	0.4	0.7

Financial institutions for development and their special funds*	211.2	248.9
African Development Bank (AfDB)	-	1.9
African Development Fund (AfDF)	46.0	92.0
Asian Development Bank (AsDB)	0.6	0.7
Asian Development Fund (AsDF)	17.8	10.6
Inter-American Development Bank (IDB)	3.2	_
Special Operations Fund (SOF-IDB)	3.2	_
International Bank for Reconstruction and Development (IBRD)	0.2	3.4
International Development Association (IDA)	140.0	140.0
International Agricultural Development Fund (IADF)		0.1

Other multilateral institutions	90.0	93.3
Consultative Group for International Agricultural Research (CGIAR)	10,9	4.4
International Union for the Conservation of Nature (IUCN)	0,8	0.8
Other multilateral institutions	78.3	88.0

Total multilateral cooperation	389.6	431.5

<sup>&</sup>quot;Multilateral financial cooperation with the World Bank, and regional development banks and funds is a "task shared by the SDC and seco" (art. 8, para. 1 of the Federal decree of 12.12.1977 on cooperation and development). The corresponding funds are included in the SDC budget.

Contributions made in the form of "notes" (so called sight drafts) appear in the accounts as they are emitted.

## Table 9 Economic and trade policy measures of seco Payments by type of measure

	2000		1999	
	million SFr.	%	million SFr.	%
Debt reduction measures	37.3	25.9	29.7	21.7
Balance of payments assistance	16.9	11.8	8.7	64
Mixed financing	18.2	12.7	27.0	19.7
Trade promotion	13.8	9.6	126	9.2
Measures aimed at activating private sector resources	49.5	34.4	48.7	35.5
Basic products	5.1	3.6	4.4	3.3
Studies and others	3.0	2.1	5.7	4.2
Total economic measures	144.0	100.0	137.2	100.0

Table 10
Economic and trade policy measures of seco Payments by type of measure and country (million SFr.)

-	· · · · · · · · · · · · · · · · · · ·	2000 Total per
Country	Type of measure	country
Africa		43.5
Mozambique	Balance of payments assistance, basic products	13.4
Egypt	Mixed financing	10.8
Burkína Faso	Balance of payments assistance	6.1
Tunisia	Mixed financing, support for the private sector	2.3
Tanzania	Balance of payments assistance	2.0
Regional projects	Support for the private sector	8.3
Other countries		0.4
Latin America		8.0
Honduras	Debt reduction measures	4.9
Bolivia	Support for the private sector	2.2
Colombia	Support for the private sector	0.8
Other countries		0.0
Asia		27.3
China	Mixed financing, support for the private sector	15.6
Jordan	Debt reduction measures	5.1
Vietnam	Mixed financing, support for the private sector	3.0
India	Support for the private sector	1.9
Other countries	Support for the private sector	0.1
Regional projects	Support for the private sector	1.4
Unclassified developing countries	Debt reduction measures, support for the private sector	64.5
Total		143.5

Table 11
Private capital flows
between Switzerland
and developing
countries
2000 (million SFr.)

	Bilateral ODA	Export guarantees	Direct invest- ments (export of capital)
Mexico ·	0.3	504.3	553,3
Brazil	2.3	94.8	814.0
Iran	1.8	330.7	2.0
Turkey	7.9	245.1	4.7
China	12.4	334.5	-101.8
South Africa	8.2	12.8	181.8
South Korea	-	5.8	181.3
Egypt	16.4	36.1	90.2
Colombia	5.5	8.1	116.4
Indonesia	8.5	18.6	56.0
156 other countries (incl. offshore financial centers)	1'036.4	304.9	897.8
Total	1′100.2	1'896.0	2'796.1

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DIREKTION FÜR ENTWICKLUNG UND ZUSAMMENARBEIT **DEZA**DIRECTION DU DÉVELOPPEMENT ET DE LA COOPÉRATION **DDC**DIREZIONE DELLO SVILUPPO E DELLA COOPERAZIONE **DSC**SWISS AGENCY FOR DEVELOPMENT AND COOPERATION **SDC**AGENCIA SUIZA PARA EL DESARROLLO Y LA COOPERACIÓN **COSUDE** 

Staatssekretariat für Wirtschaft Secrétariat d'Etat à l'économie Segretariato di Stato dell'econon State Secretariat for Economic Af









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#### SWISS INTERNATIONAL COOPERATION

Swiss Official Development Assistance amounts to approximately SFr. 1.4 billion per year. That is equivalent to 0.33% of gross national product (GNP) or 54 centimes per inhabitant per day. This sum accounts for the whole of the financial contributions, accompanied by preferential conditions and made to developing countries, to international institutions and non-governmental organizations by the Confederation, the cantons and communes.

What are the **objectives** in real terms? According to the Federal Law of March 19, 1976 on International Development Cooperation and Humanitarian Aid, the objectives are to «support the efforts of developing countries to improve the living conditions of their population and to assist these countries in ensuring their own development».

In March 1994, the Federal Council set out its guidelines and **development policy** for North-South Relations in the 1990s. These contain four main themesthe safeguarding and maintenance of peace and security together with the promotion of human rights, democracy and the rule of law, the promotion of prosperity and the strengthening of the framework conditions for sustainable development, the improvement of social justice (particularly as regards women), and lastly, protection of the environment.

Two federal offices are responsible for the concept and implementation of development aid, the Swiss Agency for Development and Cooperation (SDC), part of the Federal Department of Foreign Affairs, and the State Secretariat for Economic Affairs (seco) which is part of the Federal Department for Economic Affairs. The principal instruments at their disposal are: technical cooperation, financial aid, economic and trade measures, and hu-

manitarian aid. The SDC coordinates all the initiatives.

The Swiss Agency for Development and Cooperation (SDC) is responsible for the following four areas of activities: bilateral development cooperation, multilateral development cooperation, humanitarian aid and technical cooperation with Eastern Europe With an annual budget of approximately SFr 1.1 billion and over 350 staff members both at home and abroad, the SDC provides services through direct operations, by supporting the programs of multilateral organizations and by co-financing and making financial contributions to the programs of Swiss and international private aid organizations.

The aim of development cooperation is to combat poverty by providing help towards self-help. In particular, it promotes economic and government autonomy, contributes to the improvement of production conditions, helps to solve environmental problems and aims at better access to education and basic health care for the most disadvantaged population groups.

The mandate of the Swiss Confederation's Humanitarian Aid is to save lives and alleviate suffering. It provides direct aid in the wake of natural disasters and of armed conflict through interventions by the Swiss Disaster Relief Unit (SDR). It also supports humanitarian partner organizations.

The SDC supports the countries of **Eastern Europe** and the Commonwealth of Independent States (CIS) in their progress towards democracy and the market economy by transfer of know-how and assistance to problem solving.

While humanitarian aid is provided where most needed, bilateral development cooperation is concentrated

on 17 target countries and regions and four countries with special programs in Africa, Asia and Latin America. Technical cooperation with Eastern Europe is concentrated on 10 countries in South-East Europe and the CIS Most of the SDC's multilateral activities are implemented together with the UN bodies, the World Bank and the regional development banks. In all, there are at present more than 900 programs and projects of several years

The State Secretariat for Economic Affairs (seco) determines economic and commercial measures for development cooperation, including mixed credits (involving both the Confederation and Swiss banks), balance of payment aid, trade promotion and, in collaboration with the international community, promotion of basic products A substantial share of these measures is destined for countries of Eastern Europe and the CIS. The seco is also the main actor in the scheme to reduce the debt burden of those countries most in debt.



# SUMMARY

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#### A LONG-TERM COMMITMENT IN KOSOVO

Important progress has been made in Kosovo since the end of the conflict in the summer of 1999. Thanks to an immense effort by the international community, to which Switzerland has made a major contribution, the province is coming back to life. Many refugees have already returned and the economy is beginning to recover. Water and electricity supplies have improved. Schools and hospitals are operating. The administration is getting organized and the first municipal elections took place without mishap. New radio stations and newspapers have been launched.

However, despite this appearance of normality, a huge amount of work remains to be done before people can feel really secure. The houses destroyed during the war have not all been rebuilt. A great deal of the province's infrastructure is still damaged or non-existent, a factor which prevents widespread economic recovery. Deficiencies in the justice system have led to the emergence of a black market and the spread of illegal activities. And the most worrying factor is the inter-ethnic tension which is almost as high as ever. Insecurity and a lack of freedom of movement are preventing minorities from gaining access to public, social and health services.

Given these circumstances, the international community – which has assumed the role of maintaining law and order in Kosovo – is bound to be committed for a long time to come. In addition to maintaining a military presence, it is in-







volved in the reconstruction of the province's political, judicial and administrative structures. Switzerland has not simply been a passive observer of this situation but rather has committed considerable resources to the Balkans, particular to Kosovo, and consequently has been invited to become a partner in the Stability Pact for South-East Europe. This forum, which brings together a large number of countries, aims to overcome crises and conflicts, set up democratic structures, ensure the protection of minorities, promote economic cooperation and combat organized crime.

#### Ensuring a dignified return for refugees

Swiss involvement in Kosovo began during the conflict itself when it took part in Operation Focus, the first effort to help the victims. The Humanitarian Aid Division of the Swiss Agency for Development and Cooperation (SDC) then took over – providing foodstuffs, medicines and equipment – and helping to relaunch agriculture. Parallel to this, the first long-term programs to support reconstruction were drawn up by the SDC's Technical Cooperation Division and by the Financial Cooperation Division of the State Secretariat for Economic Affairs (seco). To help refugees return to their homes, the Federal Office for Refugees (FOR) funded almost 80% of the SDC's activities. The return assistance programs for refugees are considered vitally important, intended as they are to enable refugees to make a safe and dignified return, while also contributing to the process of peace and reconciliation. By the end of 2000, more than 32,000 Kosovars had left Switzerland to return to their place of origin.

The Kosovo aid program will be continued over the coming years. Switzerland wants to make sure that the people's hopes are not disappointed and that they do not have to migrate again. The Confederation is more involved in the Balkans than it has ever been in any other part of the world. Humanitarian aid is also being provided to Serbia and Montenegro and the changes in the government of the Federal Republic of Yugoslavia will enable Switzerland to launch large-scale support programs. Cooperation with civil society will be intensified to support democratization in this country.

#### **Necessary preconditions**

The re-establishment of peace is being pursued day by day and there are still many difficulties to overcome. One is essentially political. As long as the final status of Kosovo remains undecided, uncertainty will remain as to the future of democracy in the province. The preconditions for lasting peace are economic development, social justice, human rights, democracy and the rule of law. These have still to be achieved. In the next few years, the stabilization of South-East Europe will continue to be one of the great challenges facing Europe, putting its resolve to the test.

Walter Fust Ambassador Director, SDC

David Syz State Secretary Director, seco







#### SWISS ACTIVITY IN THE RECONSTRUCTION OF KOSOVO

#### MAKING DAILY LIFE BEARABLE



During the Kosovo conflict and the months following the end of hostilities, SDC actions were concentrated on the humanitarian needs of a destitute population. Initial priority was given to providing basic necessities to refugees returning to their villages. Once this urgent need had been met, it was time to launch long-term reconstruction programs. The SDC and the seco have worked closely together to ensure that the aid they provide is as effective and comprehensive as possible. The overarching purpose of this intervention is to promote democracy and the rule of law and a market economy with a social conscience.

Roughly 60 programs – each a contribution to the process of peace and reconciliation – were set up in the year 2000. Some will run for several years. They include SDC and seco technical cooperation activities, as well as humanitarian aid projects which have been extended to relieve the precarious living conditions of the population. In the year 2000, SDC expenditures, 80% of which were funded by the Federal Office for Refugees (FOR), amounted to more than SFr. 53 million, while seco expenditures reached SFr. 9 million.

#### Rebuilding infrastructures

The war as well as years of negligence resulting from the long crisis in Kosovo have resulted in the deterioration of basic infrastructures, particularly in the areas of energy, water supply and transportation. In addition, damage to production machinery has posed a serious obstacle to relaunching sustainable economic activity. The seco has sought to tackle these problems with two major programs described in the following articles: the restoration of electricity generating stations and the repair of water treatment plants.

Two other activities demonstrating the diversity of the SDC's work in Kosovo have been the creation of a local radio station and the establishment of a civil register. Developed and funded from the outset by the Swiss Government, the multi-ethnic Radio Blue Sky is contributing to the process of political stabilization. Normalization has also involved recollecting information on property and persons to establish a civil and electoral register which was of vital importance for municipal elections in October 2000.

#### **Concerted action**

Once the conflict was over, an impressive array of agencies, representing bilateral and multilateral aid donors and non-governmental organizations (NGOs), went into action in Kosovo. The main principles of this intervention are discussed at donors' conferences, and responsibility for supervision rests with the World Bank and the European Commission. Field activities are coordinated by the United Nations Interim Administration Mission in Kosovo (UNMIK). As part of a plan to spread international aid throughout the province, Swiss programs are concentrated in two regions: Gnjilane, in the southeast, and Djakova, in the west. Most Kosovars who took refuge in Switzerland during the conflict came from these areas

#### MEETING THE NEED FOR ELECTRICITY

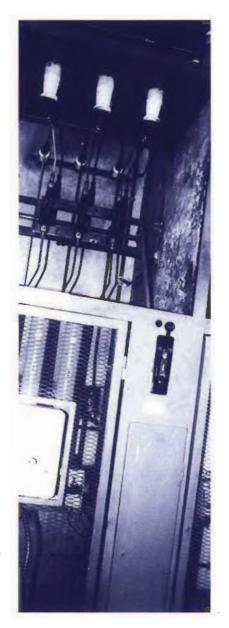
Kosovo's electricity network is in a precarious state, barely managing to supply private users and businesses. Power cuts due to breakdowns at generating stations or network overloads are a common occurrence. Because electrical energy is so vital to the normalization of living conditions and economic recovery, the seco has set up a project to restore installations which were destroyed or have fallen into disrepair.

In the past, Kosovo exported electricity which was fed into the Yugoslav national grid. Electricity generation depends almost exclusively on two thermal power plants located in the Pristina area. These had been neglected for many years, produced less than their potential output and suffered from frequent breakdowns. The European Union and other donors have funded their restoration.

#### Serving the entire population

Following this initial emergency repair, the most pressing need was to restore the secondary network. Many of the substations had been damaged during the conflict or were simply too old and dilapidated to operate effectively. Switzerland has been giving assistance in the Gnjilane region, which has a population of approximately 230,000. More than 15% of these people are Serbs who are concentrated in the north of the area, while many of the Kosovars who took refuge in Switzerland have also returned to this region

The region is supplied by two high-voltage transmission lines, with seven substations distributing the power supply. Four of these substations needed to be rebuilt or renovated to ensure effective electricity supplies, particularly in more isolated areas. In addition, meters have



been installed near borders to measure the quantities of electrical energy exchanged with Serbia. These imports/ exports have often been the subject of legal disputes. Some of the equipment required for the project will be delivered by Swiss firms

#### Reorganizing the electricity sector

Nevertheless, carrying out repairs does not of itself ensure the viability of an installation. The seco also considers it important to establish conditions which will enable electricity suppliers to cover their operating costs. The whole sector has therefore been restructured and personnel have been given appropriate training. Under the supervision of UNMIK, this sector is controlled by the Korporata Energetike Kosovès company (KEK). As an essential precondition of the program, the KEK was involved in drawing up proiect priorities. One of the objectives is to make the company profitable, in particular by making consumers pay for the electricity they use. During the first stage, the company must at least be able to cover its operating and maintenance costs.

This major reorganization project should be completed by the end of 2001 at a cost of SFr. 12.8 million. The network will then be able to ensure an adequate supply of energy to the southeast of Kosovo, helping to improve the quality of life for the local population and laying the foundation for sustained economic growth.



#### PROVIDING ADEQUATE SUPPLIES OF DRINKING WATER

Water is not a scarce commodity in the region of Gnjilane, where much of Switzerland's aid effort in Kosovo is focused. The area nevertheless suffers from serious water supply problems and drinking water distribution is inadequate, in both quantity and quality. The water treatment and distribution installations are in poor condition and cannot meet the needs of the population. The seco, working with the SDC, is making efforts to rehabilitate the drinking water supply network.

An adequate water supply will help to improve living conditions and promote the development of the five municipalities which make up this region. After repair work, the three water treatment plants will be able to supply water which meets World Health Organization (WHO) standards. Using hydrological measuring apparatus, it will be possible to regulate the process of making water drinkable.

#### Complete restoration

Tine local water supply comes from a reservoir and a number of springs. After being fed into the municipal mains networks, it is filtered and chemically treated. Given their state of disrepair, the installations can no longer perform their function adequately, and only a small proportion of the water available is properly purified. The laboratories and electromechanical filtering systems will be renovated, along with the water catchment and pumping equipment. Various technical components will be modernized, particularly those used in filtration, aeration and the application of chemicals.



In addition to this repair work, the seco is providing the funds for the spare parts, technical equipment and tooling needed to maintain the supply network. The refurbishment of the installations will be supplemented by measures to ensure their proper maintenance. These tasks have been delegated to the SDC. For instance, it was necessary to reorganize the waterworks and create conditions to ensure their autonomous, long-term operation. Costs will have to be covered by billing consumers. Emphasis is also being put on maintenance of the operating systems. Personnel will be trained to manage and maintain these installations adequately.

The local authorities have participated in the program, particularly in establishing priorities and determining needs. The work is scheduled to finish at the end of 2002, and by then the seco will have invested SFr. 13.3 million in the project.



#### SWISS ACTIVITY IN THE RECONSTRUCTION OF KOSOVO

# A RADIO STATION WORKING FOR PEACE AND TOLERANCE



Kosovo is by no means a desert where the media are concerned. The province boasts six daily newspapers, many weeklies, two television channels and 30 or so local radio stations. However, most of these are linked to one or more pressure groups. In view of this situation and based on a request from the United Nations, the SDC decided to set up a multi-ethnic radio station to broadcast impartial information: Radio Blue Sky.

This radio station is an important contribution to pluralism and democratic debate. It is managed by the Hirondelle Foundation, a Swiss NGO which set up Radio Agatashya in Rwanda and Star Radio in Liberia in response to conflicts

in those countries Blue Sky began broadcasting in July 1999 as an emergency radio studio, at a time when very few broadcasters were operating in Kosovo. Since October 1999, it has been broadcasting 24 hours a day with a mixed team of approximately 20 Albanian, Serb and Turkish journalists and technicians, all working under the leadership of a Swiss journalist. Blue Sky is a general interest station broadcasting music, magazine features and short news bulletins in three languages.

Impartial information

Journalistic meticulousness and independence are the editorial guidelines. The audience, whatever its ethnic background, must know that the information broadcast on Blue Sky is reliable. The radio also makes efforts to scotch rumors spread by certain groups. Some slots are also devoted to the activities of the United Nations Interim Administration Mission in Kosovo (UNMIK). Some programs have titles referring to the recent tragic events experienced by the people of the region, for instance «Radio Drama» or «Love and Hate».

Since July 2000, Blue Sky has been part of Kosovo Radio and Television (RTK), a public service broadcaster. As such, it has become the second radio channel. Its audience is increasing steadily and, according to a recent survey, 80% of its listeners consider the information broadcast as being of high quality.

# Affirming pluralism

RTK has a number of challenges to face. It must develop into a genuinely pluralist broadcasting organization which serves all communities. This is by no means an easy task, given that Kosovo has no previous experience with a

public service broadcaster. It also faces a financial challenge. The radio station will have to ensure its own financial viability by generating income from advertising and by securing a share of radio and television license fees.



#### SWISS ACTIVITY IN THE RECONSTRUCTION OF KOSOVO

# EXISTING ON PAPER



How do you prove your identity when you have lost all your papers and public records have been destroyed? Numerous Kosovars were faced with this thorny problem as the war ended in the summer of 1999. Proof of identity is the key to exercising your right to vote, to receiving aid and to establish. ing property rights, as well as fulfilling your obligations - as a tax payer, for instance. A civil register was quickly perceived as a priority by the United Nations Interim Administration Mission in Kosovo (UNMIK). Switzerland helped fund this project and contributed its expertise in this field.

The rebuilding of the civil register was the key to ensuring a return to law and order. The operation needed to be carried out rapidly, so that the municipal elections of October 28, 2000, could proceed as planned. Citizens over 16

years of age were registered between April and July, children at a later stage. Kosovars living abroad were also registered by the International Organization for Migration (IOM). However, the new register will be incomplete as both Serb and Turkish minorities have boycotted the procedure, refusing to participate unless certain conditions concerning security and language are met.

# **Public cooperation**

Such a major operation could not be launched without first ascentaining whether it would be accepted by the population at large, for without his cooperation it would be impossible to obtain reliable data. After tests showed a positive echo, the operation could begin. The general public was informed by media campaigns and responded positively to the appeals of the two pro-

ject coordinators, the UNMIK and the OSCE with the result that almost one million people were registered.

A total of 220 registration centers were set up in the province. Each center was managed by a local team under the leadership of a member of an international organization. It was essential that attempts at manipulation from all sides be thwarted by well-trained personnel. After registering, each person was given an identity card. If specially requested, a document was also issued for travel abroad. The data was processed centrally in Pristina, but the register will subsequently be administered at municipal level.

# Swiss expertise

The Federal Department of Justice and Police (DJP) took part in the program by seconding the head of the new Swiss passport project. His expert knowledge was decisive in producing inexpensive identity cards which nevertheless satisfied Western security standards. The restoration of the civil register has made it possible to organize elections and has contributed to economic recovery. It also facilitates the work of the police inside and outside Kosovo.

# STATISTICS

#### Table 1

Overview of Swiss Official Assistance in 2000 The OECD defines Official Development Assistance (ODA) as the total of all transactions which

- · are provided by public bodies (Confederation, cantons and communes)
- · are granted at concessional conditions (gifts or loans at low rates of interest)
- have as the main objective the promotion of economic and social development of recipient countries
- · are intended to benefit countries or territories on the list drawn up by the OECD.

This list of 164 countries and territories classified as "developing" includes, in Europe, the countries of the former Yu-goslavia, Albania, Moldova, Malta and Gibraltar.

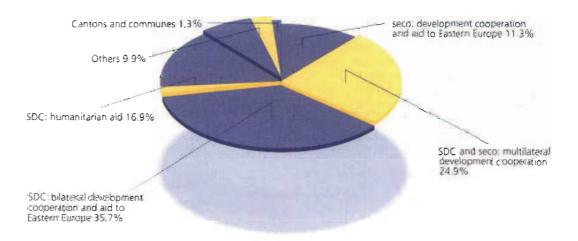
Official Assistance adheres to the same four criteria but the list of receiver countries is different. In this case, the aid goes to countries in transition, 12 of them being in Central and Eastern Europe, including Russia and 13 countries and territories considered to be at a "more advanced" stage of development, among them Israel, Hong Kong, the Bahamas and Singapore.

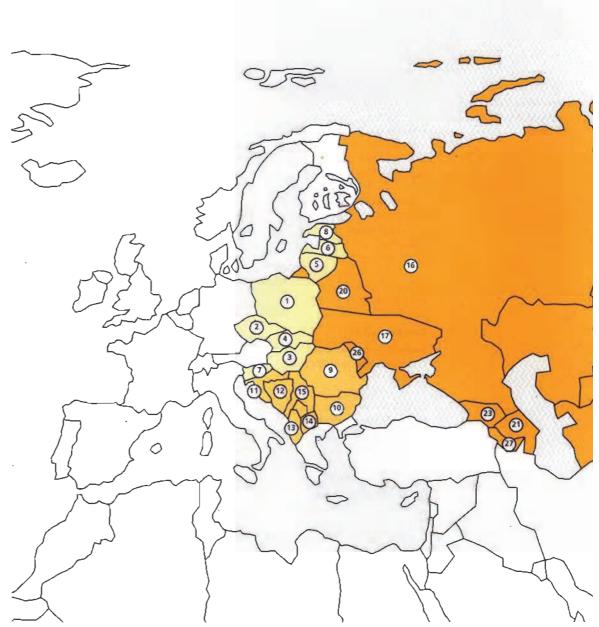
	2000				1999
Sources of financing					
and instruments	ODA	ODA	Official		
(million SFr.)	Bilateral	Multilateral	Assistance	Total	Total
Confederation	1'039.5	439.3	96.1	1'575.0	1'559.6
Swiss Agency for Development			T		
and Cooperation (SDC)	763.3	369.1	42.2	1'174.8	1'178.0
Humanitarian Aid	228.0	24.5	9 6	262.2	308 7
Development Cooperation <sup>2)</sup>	489.7	344.6	1.5	835.8	799 1
Cooperation with Eastern Europe	45.6		31.0	76.7	70 1
State Secretariat for					
Economic Affairs (seco)	169.2	27.9	52.0	249.2	207.1
Development Cooperation	104.9	27.9		132.8	110.3
Cooperation with Eastern Europe	64.2		52.0	116.3	96.8
Other departments	106.9	42.1	1.8	150.9	174.4
Cantons and communes	19.9		1.8	21.7	22.6
Humanitarian Aid	4.2		0.1	4.4	4.3
Development Cooperation	15.5		1,7	17.3	18.2
Total	1'059.5	439.3	97.9	1'596.8	1'582.3
of which: Humanitarian Aid	311.6	24.5	9.7	346.0	403.5
Development Cooperation	637.9	414.7	5.1	1'057.7	1'011.8
Cooperation with Eastern Europe	109.9		83.1	193.0	156.9
Official Development					
Assistance (ODA)	1'059.5	439.3		1'498.8	1'478.3
GNP				436'093	417'314
Ratio of ODA to GNP				0.34 %	0.35 %
Official Assistance			97.9	97.9	103.9

<sup>&</sup>quot;Multilateral financial cooperation with the World Bank, and regional development banks and funds is a "task shared by the SDC and seco" (art. 8, para. 1 of the Federal decree of 12.12.1977 on development cooperation). The corresponding funds are included in the SDC budget.









Cooperation with
Eastern Europe and the CIS

Partner countries

Capital 11 **Population** Area in Per capita 1998 1'000 sq. km GNP \$ 1998 25 Central Europe 1 Poland 3) 3'910 38'666'152 323.3 Warsaw 2 Czech Republic 10'294'900 78.8 Prague 5'150 3 Hungary 4'510 10'114'000 93.3 Budapest 49.9 3′700 4 Slovakia 5'391'000 Bratislava 5 Lithuania 3'703'000 65.5 Vilnius 2'540 2'449'000 64 4 2'420 6 Latvia Riga 7 Slovenia 1'982'000 20.0 Ljubljana 9'780 1'449'710 45.5 Tallinn 3'360 8 Estonia

		Population 19
50	uth-East Europe	
9	Romania	22'503'0
10	Bulgaria	8'257'0
11	Croatia	4'501'0
12	Bosnia-Herzegovina	3'768'0
13	Albania	3'339'0
14	Macedonia 5)	2'009'9
15	F.R. of Yugoslavia (incl. Kosovo)	11'206'0

Source: World Bank Atlas

<sup>&</sup>lt;sup>3</sup> Switzerland maintains coordination offices in the following cities: Bishkek, Bucharest, Dushanbe, Kiev, Moscow, Pristina, Sarajevo, Skopje, Sofia, Tbilisi, Tirana

<sup>&</sup>quot;Switzerland's per capital GNP in 1998 was \$ 37'270

<sup>&</sup>lt;sup>3)</sup> Member of the Swiss constituency at the Bretton Woods Institutions (World Bank, International Monetary Fund)

Member of the Swiss constituency at the European Bank for Reconstruction and Development (EBRD)

<sup>51</sup> Former Yugoslav Republic of Macedonia

<sup>61 1997</sup> Data

n Estimate



Area in	Capital 13	Per capita
) sq. km		GNP \$ 1998 2)
238.8	Bucharest	1'360
110,0	Sofia	1'220
56.6	Zagreb	4'520
51.1	Sarajevo	786 6
28.8	Tirana	810
25.5	Skopje	1'290
102.2	Beigrade	1'8007

		Population	Area in	Capital 1)	Per capita
		1998	1'000 sq. km		GNP \$ 1998 2)
Co	mmonwealth of Inc	jependent States (	(CIS)		
16	Russia	146'908'992	17'707.5	Moscow	2'260
17	Ukraine	50'295'000	603.3	Kiev	960
18	Uzbekistan 3) 4)	24'051'000	447 7	Tashkent	950
19	Kazakhstan	15'593'490	2'271.7	Almaty	1'340
20	Belarus	10,538,000	207.7	Minsk	2'180
21	Azerbaijan 3) 4)	7'910'000	86.6	Baku	480
22	Tajikistan <sup>13</sup>	6'115'000	143.3	Dushanbe	370
23	Georgia	5'442'000	69.9	Tbilisi	970
24	Turkmenistan 33/4)	4'718'000	488.8	Ashgabat	640 6)
25	Kyrgyzstan 3) 4)	4'699'000	198.8	Bishkek	380
26	Moldova	4'298'000	33.3	Chisinau	380
27	Armenia	3'795'000	29.9	Yerevan	460

#### Table 3

Cooperation with
Eastern Europe and the CIS
Commitments as
per end of 2000 and
disbursements in
2000 by instrument
(1st, 2nd and 3rd
framework credit)

	ments as per end of 2000 million SFr.	Payments as per end of 2000 million SFr.
Instruments	2	9
Technical cooperation	751.5	77.0
Financial cooperation 15		
Financial contributions	842.6	97.7
Credit guarantees 2)	379.9	_
Balance of payments assistance/		
Debt reduction measures	. 23.2	2
Trade and		
investment promotion	143.8	13.4
Total	2'140.9	188.2

<sup>11</sup> Without administrative costs

#### 1. Technical cooperation

Technical cooperation is intended to mobilize the reform-oriented countries' own initiative and capabilities. As part of projects with a clearly defined content, time schedule and financial framework, qualified experts are seconded to the beneficiary countries, providing economic, organizational, scientific, technical or cultural know-how and cooperating on the planning and implementation of specific tasks. Thus, technical cooperation covers consultancy, training, concomitant non-cash capital contributions and other project costs. The projects are non-repayable and are implemented in partnership with the beneficiary country.

# 2. Financial cooperation

#### Financial contributions

Financial contributions are used to support urgent projects which cannot be funded commercially and for which Switzerland can offer favorable technical conditions at reasonable cost. Financial contributions are non-repayable. The projects funded to date focus on the environment, energy, health and infrastructure sectors. Support is given via biliateral projects or through co-financing with international institutions such as the World Bank or the European Bank for Reconstruction and Development (EBRD).

#### Credit guarantees

Credit guarantees from framework credits for Eastern Europe are available in countries where the Swiss export risk guarantee is not, or only partly, available. Credit guarantees enable these countries to import capital goods of vital importance for their economic development.

# Balance-of-payments assistance/ debt reduction

Since 1990, Switzerland has participated in several internationally coordinated balance-of-payments assistance and debt reduction activities (eg in the form of "debt for nature swaps") for Central and Eastern European countries. This is because the cost of changing the system and, in some cases, huge debt-servicing obligations have caused a shortage of foreign exchange in almost all countries. In some countries, debts have taken on such proportions that the process of economic change has been hampered or jeopardized.

Commit-

## Trade and investment promotion

Trade promotion aims at strengthening the export economies of Eastern European countries, thus helping them to improve their participation in world trade. Specialized institutions such as the Swiss Office for the Promotion of Trade (OSEC) or the International Trade Centre (ITC) in Geneva implement concrete activities, such as the improvement of product quality or export marketing

Private investment plays a key role in the process of economic reform. Switzerland promotes targetted private direct investment via various national and international institutions (for instance, by developing contacts and pre-investment studies).

<sup>21</sup> Credit guarantees are paid out only in the event of damage

Estonia

Slovenia

Regional

Cooperation with
Eastern Europe and the CIS
Commitments as
per end of 2000 by
country (1st, 2nd and
3rd framework credit)

(without credit Credit Technical guarantees cooperation guarantees) million SFr. million SFr. million SFr. % 123.1 407.0 39 32 198.6 26 Central Europe Poland 37.5 5 116.0 11 109.4 29 Hungary 36.9 5 41.7 4 Slovakia 14.6 2 35.5 3 3.8 1 15.5 2 34.4 3 Czech Republic 24.0 2 5.5 5.1 1 Latvia 1 Lithuania 5.3 1 20.1 2 2.7

Financial

cooperation

20,0

115.2

2

11

1.7

South-East Europe	282.9	38	386.4	37	65.8	18
Bulgaria	49.3	7	62.0	6	45.4	12
Bosnia-Herzegovina	59.6	8	61.9	6	-	
Albania	53.3	7	62.2	6	-	
Romania	54.3	7	55.9	5	-	
Macedonia	29.1	4	33.4	3	10.1	3
Yugoslavia (F.R.)	3.8	1	67.4	6		
Croatia	3.6		-		10.8	3
Regional _	29.5	A	43.5	4	_	

10

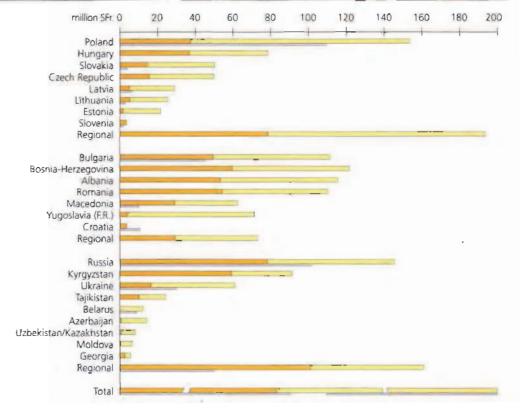
1.6

3.4

78.5

CIS	269.9	36	261.0	25	191.0	50
Russia	78.2	10	67.6	6	101.9	27
Kyrgyzstan	59.2	8	32.1	3		
Ukraine	16.6	2	44.4	4	30.0	8
Tajikistan	10.1	1	14.1	1	-	
Belarus	-		12.3	1	9.1	2
Azerbaijan	0.8		13.4	1	-	
Uzbekistan/Kazakhstan	0.7		7.5	1		
Moldova	0.2		6.4	1		
Georgia	2.7		3.1			
Regional	101.0	13	60.1	6	50.0	13
Total	751.5	100	1'054.5	100	379.9	100





# COOPERATION WITH EASTERN EUROPE

# Table 5

Cooperation with
Eastern Europe and the CIS
Distribution of
commitments by
sector as per
end of 2000
(1st, 2nd and 3rd
framework credit)

	as per	
	end of	
	2000	
	million SFr.	%
Technical cooperation		
Politics and constitutional development	229.3	31
Economics/Education	117.6	16
Science/Culture	108.6	1:4
Agriculture	104.5	14
Health/Social matters	104.2	14
Energy/Environment	87.1	12
Total	751.5	100
Financial contributions		
Environment	287.3	34
Energy	178.6	21
Health	122.6	15
Infrastructure (cadastre, metrology)	60.7	7
Telecommunications	43.7	5
Banking sector	48.0	6
Transport	. 21.5	3
Agricultural products	13.8	2
Other sectors	66.2	8
Total	842.6	100

# Table 6

Cooperation with
Eastern Europe and the CIS
Credit guarantees/
Distribution of
commitments
by sectors

	end of 2000 million SFr.	%
Maximum guarantee sum available	379.9	129
Applications approved by 31.12.00:		
Machinery/Engineering industry	131.2	45
Energy	32.1	3.1
Processing of agricultural products	31,9	1.1
Textile industry	26.5	2
Chemical industry	27.1	9
Telecommunications	17.7	{
Miscellaneous sectors	26.8	9
Total	293.7	100

Table 7

Cooperation with Eastern Europe and the CIS Disbursements in 2000 by country Financial
cooperation
(without
credit
guarantees)
million SFr.

%
18
6
2
1
8
60
26
9
9
4
7
3
2
17
9
1
1
2
1
1
2
5
100

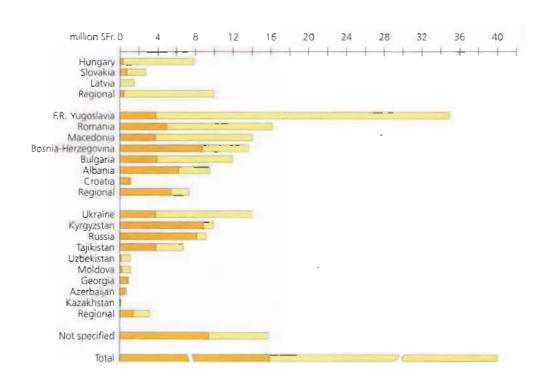
Technical

connection

# Graph 3

Cooperation with
Eastern Europe and the CIS

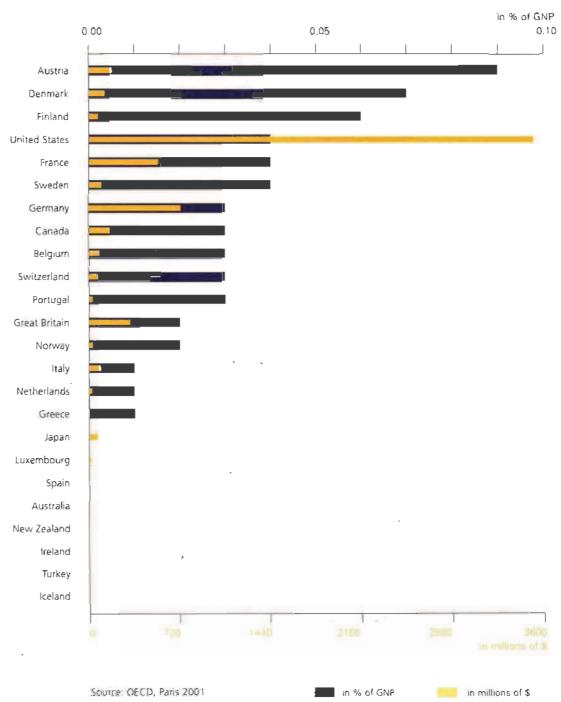
Disbursements in 2000



Technical cooperation Financial cooperation

# Graph 4

Cooperation with
Eastern Europe and the CIS
Disbursements to
countries of Central
Europe and the CIS
from member countries of the DAC (Development Assistance
Committee of the
OECD) 1999



# Switzerland works hand in hand with the international community

Switzerland is a member of the Council of Europe, the European Free Trade Association (EFTA) and the World Trade Organization (WTO), among other bodies.

Its participation in the European Bank for Reconstruction and Development (EBRD), set up in 1991 to support [Eastern Europe, amounts to some SFr. 400 millions or 2 3% of the Bank's share capital.

It is also a member of the International Monetary Fund (IMF), the World Bank (IBRD), the G-24 (Group of 24 Western industrialized countries for coordinating cooperation with Eastern Europe) and the Organization for Economic Cooperation and Development (OECD). Switzerland continually coordinates its activities on behalf of the reform-oriented countries with all these organizations and also implements projects in conjunction with them, for example by means of co-financing.

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DIREZIONE DELLO SVILUPPO E DELLA COOPERAZIONE DSC
SWISS AGENCY FOR DEVELOPMENT AND COOPERATION SDC
AGENCIA SUIZA PARA EL DESARROLLO Y LA COOPERACIÓN COSUDE



Staatssekretariat für Wirtschaft Secrétariat d'Etat à l'économie Segretariato di Stato dell'econo State Secretariat for Economic A









# ANNUAL REPORT

2000



## SWISS INTERNATIONAL COOPERATION

Swiss Official Development Assistance amounts to approximately SFr. 1.4 billion per year. That is equivalent to 0.33% of gross national product (GNP) or 54 centimes per inhabitant per day. This sum accounts for the whole of the financial contributions, accompanied by preferential conditions and made to developing countries, to international institutions and non-governmental organizations by the Confederation, the cantons and communes.

What are the **objectives** in real terms? According to the Federal Law of March 19, 1976 on International Development Cooperation and Humanitarian Aid, the objectives are to «support the efforts of developing countries to improve the living conditions of their population and to assist these countries in ensuring their own development».

in March 1994, the Federal Council set out its guidelines and development policy for North-South Relations in the 1990s. These contain four main themes: the safeguarding and maintenance of peace and security together with the promotion of human rights, democracy and the rule of law, the promotion of prosperity and the strengthening of the framework conditions for sustainable development, the improvement of social justice (particularly as regards women), and lastly, protection of the environment.

Two federal offices are responsible for the concept and implementation of development aid: the Swiss Agency for Development and Cooperation (SDC), part of the Federal Department of Foreign Affairs, and the State Secretariat for Economic Affairs (seco) which is part of the Federal Department for Economic Affairs. The principal instruments at their disposal are: technical cooperation, financial aid, economic and trade measures, and hu-

manitarian aid. The SDC coordinates all the initiatives.

The Swiss Agency for Development and Cooperation (SDC) is responsible for the following four areas of activities: bilateral development cooperation, multilateral development cooperation, humanitarian aid and technical cooperation with Eastern Europe. With an annual budget of approximately SFr. 1.1 billion and over 350 staff members both at home and abroad, the SDC provides services through direct operations, by supporting the programs of multilateral organizations and by co-financing and making financial contributions to the programs of Swiss and international private aid organizations

The aim of development cooperation is to combat poverty by providing help towards self-help. In particular, it promotes economic and government autonomy, contributes to the improvement of production conditions, helps to solve environmental problems and aims at better access to education and basic health care for the most disadvantaged population groups.

The mandate of the Swiss Confederation's Humanitarian Aid is to save lives and alleviate suffering. It provides direct aid in the wake of natural disasters and of armed conflict through interventions by the Swiss Disaster Relief Unit (SDR), It also supports humanitarian partner organizations.

The SDC supports the countries of **Eastern Europe** and the Commonwealth of Independent States (CIS) in their progress towards democracy and the market economy by transfer of know-how and assistance to problem solving

While humanitarian aid is provided where most needed, bilateral development cooperation is concentrated

on 17 target countries and regions and four countries with special programs in Africa, Asia and Latin America. Technical cooperation with Eastern Europe is concentrated on 10 countries in South-East Europe and the CIS. Most of the SDC's multilateral activities are implemented together with the UN bodies, the World Bank and the regional development banks. In all, there are at present more than 900 programs and projects of several years.

The State Secretariat for Economic Affairs (seco) determines economic and commercial measures for development cooperation, including mixed credits (involving both the Confederation and Swiss banks), balance of payment aid, trade promotion and, in collaboration with the international community, promotion of basic products. A substantial share of these measures is destined for countries of Eastern Europe and the CIS. The seco is also the main actor in the scheme to reduce the debt burden of those countries most in debt.



HUMANITARIAN AID

2 EDITORIAL

Swiss coordination in channeling aid more effectively after the floods in Mozambique

# MOZAMBIQUE AFTER THE FLOODS

**CONCERTED ACTION**Coordinating aid to the victims

- 5 HEALTH
  Distributing medicines according to need
- 6 THE CLEANUP
  Ensuring supplies of clean drinking water
- 7 THE ROLE OF NGOS Working with the local solidarity network
- 9 STATISTICS
  Tables and graphs

# SWISS COORDINATION IN CHANNELING AID MORE EFFECTIVELY AFTER THE FLOODS IN MOZAMBIQUE



The floods which struck Mozambique at the beginning of the year 2000 were the worst in more than 50 years. They devastated crops and destroyed infrastructure in five provinces in the center and south of the country. More than a million people out of a population of 19 million were directly affected, half of them losing all their possessions. Mozambique has been one of the target countries of Swiss development cooperation activities since 1979 and because of this long experience, Switzerland was able to play a vital role in bringing emergency aid to flood víctims and in subsequent reconstruction efforts.

The international community mobilized enormous resources to alleviate the terrible effects of the flooding on the country's population and economy. This large-scale reaction is explained largely by the amount of goodwill Mozambique enjoys internationally. Having made a fresh start after 17 years of civil war, the country has received good marks from the World Bank and the International Monetary Fund. As a result of a successful reconciliation policy and major economic reforms, it has achieved an annual growth rate of more than 10% over the past three years.

Another factor triggering the vast humanitarian operation was media interest. Images of the catastrophe – including the daring rescue of Rosita, the baby born in a treetop – were beamed around the world and created an outpouring of public compassion and solidarity. As a result, the Swiss public contributed SFr. 18 million through the fund-raising efforts of Swiss Solidarity and non-governmental organizations (NGOs) to help the flood victims. Together with the government's contribution of SFr. 12 million, Switzerland raised a total of SFr. 30 million for the people of Mozambique.

# The transition from emergency aid to reconstruction

In this section, devoted entirely to Swiss humanitarian aid in Mozambique, we selected four significant aspects to illustrate activities during the emergency phase and the setting of criteria for reconstruction. The operation enjoyed the vital support of the SDC's coordination office which – based on its many years in Maputo – has both intimate knowledge of the country's institutions and a vast network of contacts.

The first article describes a joint operation by Germany, Austria and Switzerland to supply the population with drinking water. The evaluation made by a specialist of the Swiss Disaster Relief Unit (SDR), with the support of locally-based SDC personnel, was invaluable in determining priorities and coordinating the operation.

The second article features a cooperative venture with Project Hope, an NGO which, thanks to its contacts with the pharmaceutical industry, was able to offer batches of medicines to the Mozambique Ministry of Health. The SDC bore the costs of coordinating the project and organizing the logistics.





The third article demonstrates the importance of strengthening local capacities in the fields of water supply and cleanup, as Swiss humanitarian aid established a constructive partnership with key sectors of the Mozambique administration.

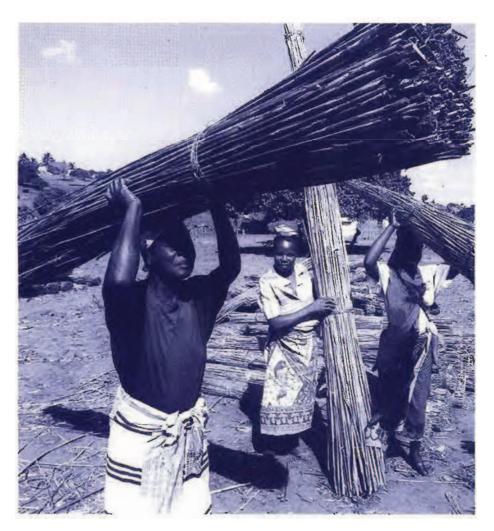
# The fundamental role played by NGOs

The activities of NGOs often complement government action. The work of Swiss Labor Assistance (SLA) featured in the fourth article is a good example of the grass-roots involvement of an aid organization after 20 years in Mozambique. The SLA's local partners moved quickly to bring relief to the flood victims, followed by effective support in the reconstruction phase. The SDC subcontracts part of its aid work to NGOs which carry out projects to strengthen the autonomy and empowerment of grass-roots communities.

This glimpse of Swiss humanitarian aid must of course be seen in the context of the whole international aid effort in Mozambique. The donors adopted common approaches and continually reflected on how best to promote long-term development. This has resulted in a smooth transition between the initial emergency aid effort and subsequent reconstruction and development projects. In the case of Mozambique, coordination between the various aid agencies has been optimal. Without the support of the international community the government would not have been able to cope with a disaster of such magnitude, and this would have jeopardized any progress made over the last 10 years.

Walter Fust Ambassador Director, SDC

# COORDINATING AID TO THE VICTIMS



The rainy season in Mozambique generally lasts from November to March. Torrential downpours are the normand flooding is frequent. This recurrent weather pattern explains why international aid was not deployed immediately after the first floods in early February 2000. However, after the cyclone on February 21 which increased the magnitude of the disaster, the organization of help began on a large scale at the beginning of March.

The mobilization that followed was quite amazing, with a large number of operations conducted by non-governmental organizations (NGOs), UN agencies and foreign armies. Aware of the importance of coordination, Germany, Austria and Switzerland joined forces to bring aid as effectively as possible to the devastated areas. The operation, known as DACH (from the initial letters of the German names of the three countries), supplied a whole region with drinking water.

#### Combining specialized know-how

The three partner countries decided to divide up the work on the basis of their individual specialized know-how. Switzerland assumed responsibility for coordinating the operation, while Germany transported more than 90 tons of equipment and Austria took care of drinking water supplies and health issues. Before any personnel were deployed, a member of the Swiss Disaster Relief Unit carried out an evaluation mission.

After discussions with Mozambique authorities and representatives of UN agencies, this emergency management specialist decided where help could best be given. Five towns, three of them located near the Limpopo River, were assigned to DACH, and a logistics center was established in Chibuto. Soon after, the 60-man Austrian contingent arrived to set up temporary water-treatment centers to supply drinking water to the flood victims

# Helping in different ways

The Austrian contingent also worked to restore water sources devastated by the flooding, provided basic medical care and helped the local communities with electrical and mechanical expertise. More than 10,000 benefited from the DACH operation, which was extremely valuable because thanks to the supplies of clean water, displaced persons in the area were largely spared the ravages of cholera and other diarrhoeic diseases

#### DISTRIBUTING MEDICINES ACCORDING TO NEED

After natural catastrophes or armed conflicts, large quantities of medicines are generally sent through various channels to the countries concerned. However, according to the World Health Organization (WHO), between 15% and 60% of these deliveries are useless because the medicines are out-of-date, wrongly labeled or simply unknown to local health care managers

## **Effective coordination**

Aware of this problem, the SDC funded a project to improve coordination between the donors and recipients of medicines, acting as an intermediary to ensure that donations corresponded as closely as possible to the country's real needs. The medicines, worth between US\$ 4 and 5 million, were do-

involved dealing with transport and customs clearance. Logistical costs were also assumed by the SDC. On the whole, they were modest, reaching about SFr. 160,000 for the year 2000.

# **Preventing epidemics**

Instead of simply delivering the medicines to Mozambique, Project Hope, at



As a result, tons of medicines cannot be used and often become an environmental hazard

This is what happened when the Mozambique government appealed for aid during the floods. Most deliveries of medicines were made without prior consultation with the Ministry of Health. When the bulk consignments were unloaded at the airport in Maputo, Health Ministry personnel had to undertake a painstaking sorting operation although there were other urgent priorities to attend to.

nated by Project Hope, a non-governmental organization active in the medical field and supported by a number of pharmaceutical companies. Project Hope is part of the Partnership for Quality Medical Donations which includes pharmaceutical laboratories and private charities.

Thanks to the permanent contact established with the pharmaceuticals department of the Ministry of Health, the medicines were shipped in consecutive batches, corresponding in quantity and quality to the country's needs, either to cope with the emergency or to replenish normal stocks. The SDC project

the request of the authorities, ensured that theywere appropriately channeled into the distribution system. The overall objective of the program was to prevent epidemics of malaria, cholera and other diseases by diagnosing and treating cases quickly so as to avoid contagion. This objective was almost fully achieved in the weeks following the floods. Although there was a rise in the incidence of these diseases, widespread epidemics were avoided.

#### ENSURING SUPPLIES OF CLEAN DRINKING WATER



It may seem a paradox, but one of the main problems at the time of the floods in Mozambique was supplying the victims of the disaster with water. Clean water was needed so that they were not obliged to drink the unhealthy, disease-bearing water all around them.

The floodwaters covered hundreds of thousands of hectares in the south of the country, submerging and destroying most of the water sources and seriously damaging the water distribution and pumping network. The government drew up a reconstruction program which included the rehabilitation of small-scale water supply systems, the drilling of wells, the cleaning-out of drainage systems and the construction of latrines.

# A priority sector

Supplying clean water and improving sanitary arrangements was one of the 14 priority sectors identified by the government in the reconstruction program which it presented to the donor community in Rome on May 3 and 4, 2000. The cost of the program was US\$ 450 million, 27 million of which were earmarked for the water supply sector. The SDC committed itself to providing institutional support to the National Water Authority (DNA).

As part of this support, it provided an expert in emergency management to help the authority set up an emergency unit. This unit, funded partly by the SDC, was effective in introducing measures to make drinking water accessible to the flood victims. Its efficient results and transparency vis-à-vis donors was a factor in its success. The unit was then given responsibility for the entire reconstruction program in

the spheres of water and cleanup, with emphasis on the sustainability of the new installations. It was an important link between the DNA and donors.

# Improving staff performance

Another Swiss expert in the unit has been assigned to improve the capacities of the local staff in the five provinces affected by the floods. He has been especially involved in assisting Mozambican engineers in the technical inspection of the new installations. The dikes built to protect three towns from the waters of the Limpopo, as well as other protection and prevention structures, will reduce the risk of future flooding.

#### WORKING WITH THE LOCAL SOLIDARITY NETWORK

Thanks partly to funding from the SDC, the aid organization Swiss Labor Assistance (SLA), which has been active for more than 20 years in Mozambique, has succeeded in establishing many links with local associations and developing «grass-roots» projects, including support for agriculture, literacy campaigns and training courses, programs informing women of their rights and the promotion of village activities. The SLA focuses its efforts on two provinces and when these areas were hit by flooding last year it was able to organize immediate help. When the emergency was over, it could rely on the motivation of its partners to assist in the reconstruction phase.

Owing to its knowledge of local structures, the SLA was well placed to meet the needs of the people. The initial challenge was to ensure the survival of the victims by providing them with food and temporary shelter. A vast solidarity network was established, with women's organizations, trade unions and rural self-help groups all contributing to the effort. Working groups were set up, bringing together representatives of these organizations who had no previous experience working together. This approach led to a better understanding of the situation of others and to a common search for solutions.

# The need for quick action

The operation could not be launched without the prior agreement of the authorities, in particular the national institute responsible for disaster management. Once the go-ahead was given, the local organizations swung into action. Basic essentials such as clothing, blankets and household utensils were distributed to the families who had lost everything, followed soon after by seeds and agricultural implements. Speed was essential so as not to lose an entire crop growing season. As soon as the waters had receded, it

was vital to sow corn and beans to ensure food supplies for the coming months.

This emergency phase lasted three months, with more than 12,000 families (about 70,000 people) receiving help. It was followed by a reconstruction phase, the aim of which was to help the flood victims restore basic family and social structures. The SLA de-

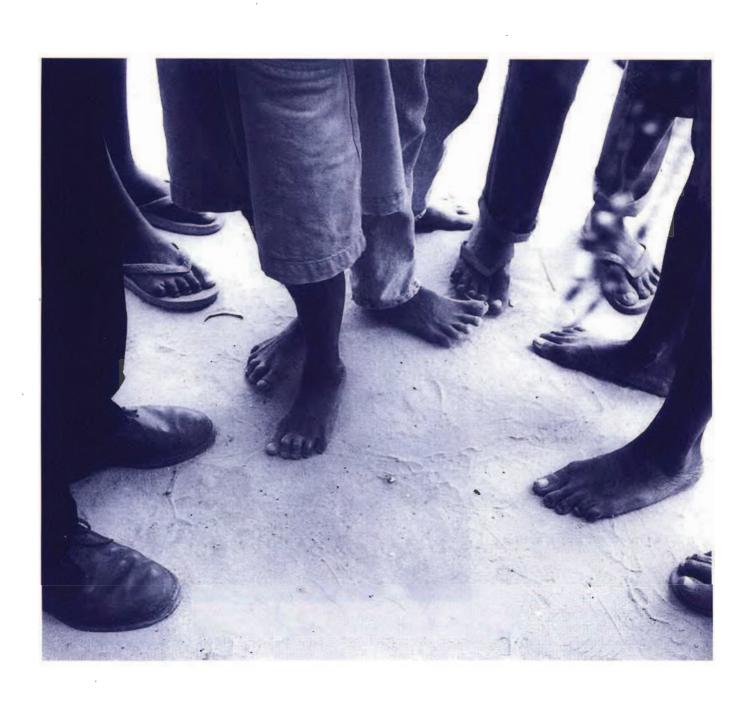
# Sustainable development

The SLA's intervention, financed partly by the SDC, has had positive consequences for the national economy because almost all the items distributed were purchased locally. New buildings, which conform to higher quality standards than in the past, were constructed by local enterprises. In addition, the reconstruction and improvement of infra-



cided to give priority to four areas: improving the food situation, providing access to drinking water, supporting education and help for women. By the end of 2000, more than 18,000 children had been given educational materials and several schools had been rebuilt.

structure in the devastated rural areas will help compensate for the lack of facilities in the countryside in relation to the towns. Partnership with local organizations has been vital in promoting sustainable development in these regions.



# STATISTICS

Table 1
Overview of Swiss
Official Assistance

in 2000

The OECD defines Official Development Assistance (ODA) as the total of all transactions which

- are provided by public bodies (Confederation, cantons and communes)
- are granted at concessional conditions (gifts or loans at low rates of interest)
- · have as the main objective the promotion of economic and social development of recipient countries
- · are intended to benefit countries or territories on the list drawn up by the OECD.

This list of 164 countries and territories classified as "developing" includes, in Europe, the countries of the former Yu-goslavia, Albania, Moldova, Malta and Gibraltar

**Official Assistance** adheres to the same four criteria but the list of receiver countries is different. In this case, the aid goes to countries in transition, 12 of them being in Central and Eastern Europe, including Russia and 13 countries and territories considered to be at a "more advanced" stage of development, among them Israel, Hong Kong, the Bahamas and Singapore.

	2000				1999
Sources of financing					
and instruments	ODA	ODA	Official		
(million \$Fr.)	Bilateral	Multilateral	Assistance	Total	Total
Confederation	1'039.5	439.3	96.1	1'575.0	1'559.6
Swiss Agency for Development				0.7	
and Cooperation (SDC)	763.3	369.1	42.2	1'174.8	1'178.0
Humanitarian Aid	228.0	24.5	9.6	262.2	308.7
Development Cooperation"	489.7	344.6	1.5	835.8	799.1
Cooperation with Eastern Europe	45.6		31.0	76.7	70.1
State Secretariat for					
Economic Affairs (seco)	169.2	27.9	52.0	249.2	207.1
Development Cooperation	104.9	27.9		132.8	110.3
Cooperation with Eastern Europe	64.2		52.0	116.3	96 8
Other departments	106.9	42.1	1.8	150.9	174.4
Cantons and communes	19.9		1.8	21.7	22.6
Humanitarian Aid	4.2		0.1	4.4	4.3
Development Cooperation	15.6	100	1.7	17.3	18.2
Total	1'059.5	439.3	97.9	1'596.8	1′582.3
of which. Humanitarian Aid	311.6	24.5	9.7	346.0	403.5
Development Cooperation	637.9	414.7	5.1	1'057.7	1'011.8
Cooperation with Eastern Europe	109.9		83.1	193.0	166.9
Official Development					
Assistance (ODA)	1'059.5	439.3		1'498.8	1'478.3
GNP .				436'093	417′314
Ratio of ODA to GNP				0.34 %	0.35 %
Official Assistance			97.9	97.9	103.9

<sup>&</sup>quot;Multilateral financial cooperation with the World Bank, and regional development banks and funds is a "task shared by the SDC and seco" (art, 8 para. 1 of the Federal decree of 12,12,1977 on development cooperation). The corresponding funds are included in the SDC budget.





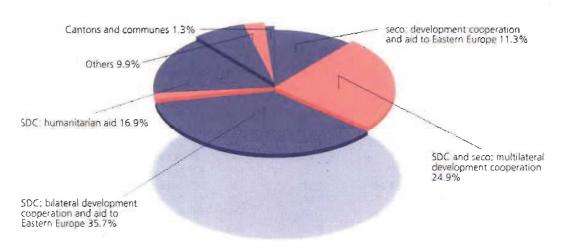
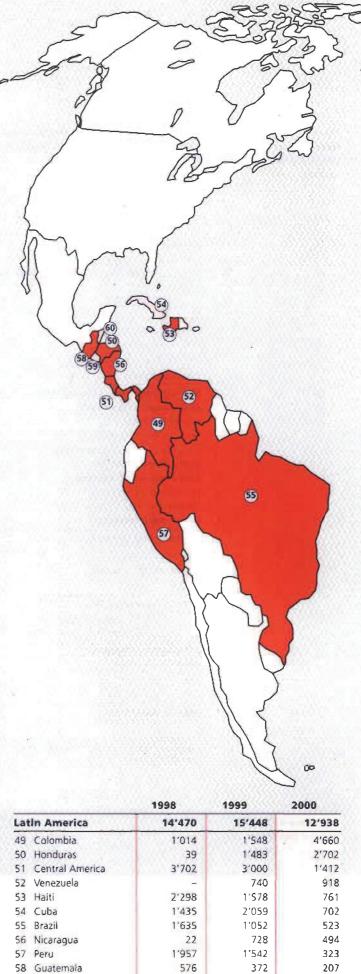


Table 2
Humanitarian Aid of the Confederation 1998-2000
Distribution by continent and by country (thousands of SFr.)

		1998	1999	2000
Africa		62'652	59'227	60'873
1	Sudan	8'097	7'433	9'205
2	Mozambique	477	1'207	6'311
3	Congo (D.R.)	2'748	5'418	6'140
4	Angola	7'397	8'642	5'859
5	Burundi	1'930	2'636	4'936
6	Ethiopia	5'643	3'429	4'636
7	Sierra Leone	2'722	4'328	4'337
8	Eritrea	1'880	2'591	2'415
9	Rwanda	4'681	6'996	2'320
10	Somalia	2'211	836	2'312
11	Tanzania	1'825	3'253	2'272
12	Uganda	873	1'950	1'554
13	Guinea-Bissau	1'240	120	1'504
14	Algeria	1'113	1'958	1'425
15	Congo (Rep.)	97	585	1'003
16	Liberia	2'945	2'977	. 757
17	Djibouti	545	100	705
18	Zambia	338	323	552
19	Burkina Faso	823	283	534
20	Benin	21021	457	502
21	Kenya	3'667	379	493
22	Chad	152	35	231
23	Niger	1'294	36	184
24	Zimbabwe	241	197	174
25	Ghana	320	393	159
26	Mauritania	201	46	147
27	Togo	272	187	132
	Regional projects	1'318	42	50
	Other countries	5'569	2'475	10

	1998	1999	2000
Asia and Middle East	34'676	35'123	35'574
28 Afghanistan	4'304	3'882	6'606
29 Iraq	2'128	4'628	5'933
30 Korea (North)	5'624	2'282	3'120
31 Georgia	3'819	4'548	2.695
32 Iran	505	1'803	2'413
33 India	533	1'706	1′796
34 Sri Lanka	1'715	1′605	1'724
35 Israel	200	250	1′500
36 Tajikistan	2'758	2'995	1'375
37 Bangladesh	783	2'123	1'148
38 Thailand	1′826	1'068	959
39 Palestine	130	635	923
40 Cambodia	1'353	25	901
41 Indonesia	288	1'887	782
42 Vietnam	72	168	730
43. Armenia	1′900	1'254	564
44 Timor	_	100	500
45 Jordan	-	61	309
46 Azerbaijan	1′281	1'335	295
47 Kazakhstan	-	262	262
48 Kyrgyzstan	38	166	173
Other countries	5'409	2'330	862



72

1′342

1'717

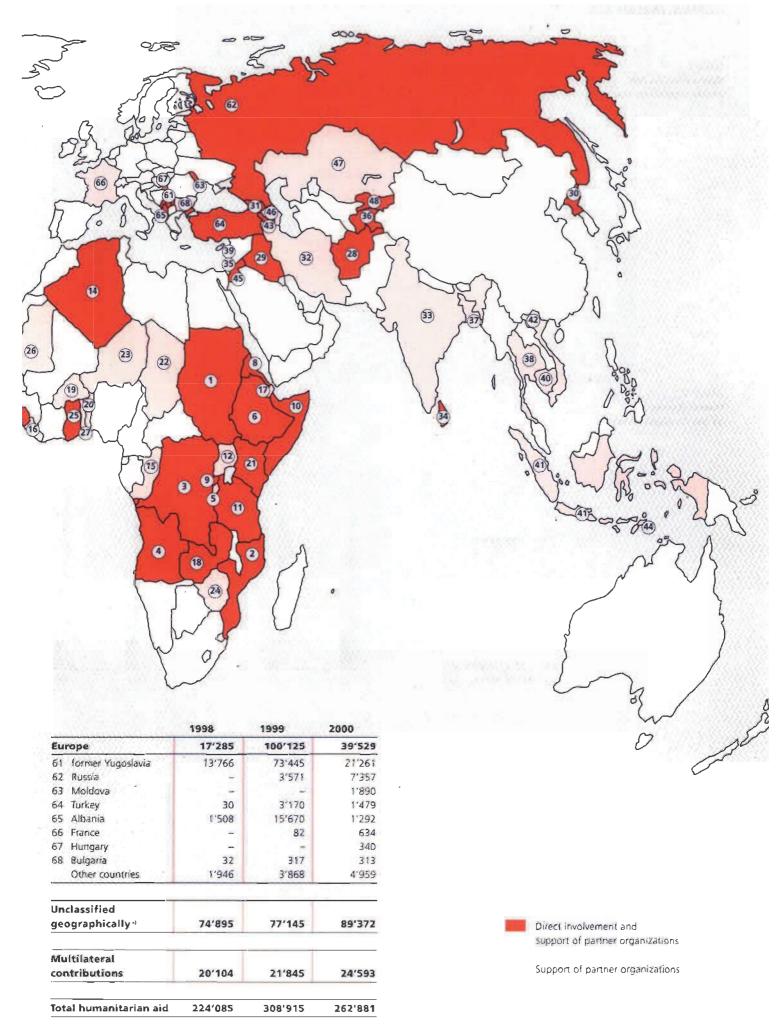
87 75

66

58 Guatemala 59 El Salvador

Other countries

60 Belize



শানটোরোল্য জ্বালিকাত্ব contribution to the International Committee of the Red Cross (ICRC)

# HUMANITARIAN AID

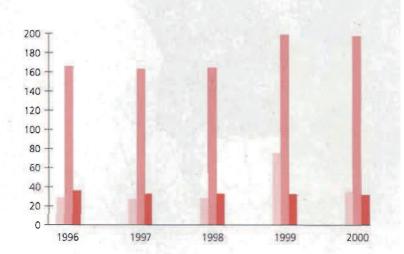
Table 3

Humanitarian Ald of the Confederation

	1999 million SFr.	2000 million SFr.
Swiss Disaster Relief Unit (SDR)	74.6	34.7
Contributions to international organizations and Swiss NGOs	202.3	197.1
Food aid	31.9	30.9
Total humanitarian aid	308.9	262.8

Graph 2 Humanitarian Aid of the Confederation





# Table 4

Humanitarian Aid of the Confederation Contributions to **United Nations** organizations, the ICRC and Swiss NGOs

	2000				
	General	Specific		- 1	
	cash contri-	cash contri-		Food	
	butions million SFr.	butions million SFr.	SDR million SFr.	aid million SFr.	Total million SFr
Direct activities of the SDR	-	-	34.7	0.7	35.5

International organizations	24.5	34.5	-	20.3	79.4
World Food Program (WFP)	1.5	9.1	-	19.8	30.5
UN High Commissioner					
for Refugees (UNHCR)	13.0	9.0	-	-	22.1
UN Relief and Works Agency for					
Palestinian refugees in the					
Near East (UNRWA)	9.2	-	-	-	9.2
UN Office for Coordination					
of Humanitarian Affairs (OCHA)	0.2	4.2	14	-	4.5
International Organization .					
for Migration (IOM)	0.5	1.0	~	-	1.5
Other UN organizations	-	11.0	-	0.4	11.5
		W-12			
Red Cross organizations	67.2	41.1	-	0.3	108.7
International Committee					
of the Red Cross (ICRC)	67.2	34.3	-	-	101.5
Swiss Red Cross (SRC)	-	6.8	-	0.3	7.1
Swiss NGOs	-	29.4	-	9.5	38.9
Caritas	-	3.2	_	3.6	6.9
Terre des Hommes Lausanne		3.1	_	0.7	3.8
Swiss Interchurch Aid (EPER)		1.4	_	0.6	2.1
Médecins sans frontières	2	0.9	_	0.5	0.9
		0.8		0.6	1.5
		0.0		0.0	1.3
ADRA	-	1.3	-		
ADRA Medair		1.3		1.1	
ADRA Medair Salvation Army Other NGOs and direct activities	-	1.3 0.2 18.1	-	1.1	1.3
ADRA Medair Salvation Army	-	0.2	-		1.3

# Table 5

Humanitarian Aid of the Confederation Main missions of the Swiss Disaster Relief Unit (SDR) 2000

Country	Reason for mission	Kind of assistance	Partner SDR i	members involved
Africa			INVESTIGATION TO THE PROPERTY OF	
Ethiopia	War	Crisis prevention, food security	UNDP	4
Angola	Civil war	Emergency aid, logistical support	ICRC, COF	5
Burkina Faso	Prevention	Evaluation	WHO	1
Congo (D.R.)	Rebellion	Rebuilding infrastructures	NGOs, WHO	3
Djibouti	Refugees	Road repairs	WFP	2
Eritrea	War	Emergency aid	UNDP, WFP	3
Ghana	Drought	Provision of drinking water	Local authorities	3
Kenya	Post-war phase	Coordination of Great Lakes humanitarian aid	UNHCR	1
Liberia	Refugee return	Road repairs	WFP	2
Madagascar	Flooding	Emergency aid	WEP	2
Mozambique	Flooding	Humanitarian aid	CoF	8
Rwanda	Refugee return	Medical training, reconstruction	CoF, local authorit	ies 4
Sierra Leone	Refugee return	Emergency aid	UNHCR	2
Sudan	Civil war	Provision of drinking water, health, foodstuffs	UNICEF, WFP	8
Tanzania	Refugees	Alternative energy, food aid	UNHCR	1
Tunisia	Prevention	INSARAG Reg. Group Europe/Africa	OCHA	3
Middle East				
Iraq	Gulf War	Aid program monitoring	Caritas	1
Jordan	Refugees	UNRWA reform process	Government	2
Lebanon	Refugees	Assessment mission	UNRWA	1
Syria	Refugees	Planning "Camp Rehabilitation"	UNRWA	9
Central Asia/Asia	1			
Afghanistan	Refugees	Refugee repatriation	IOM, local authori	ties 2
India	Cyclone	Evaluation/reconstruction	Local authorities	1
Indonesia	Earthquake	Evaluation	UNDAC	2
Kyrgyzstan	Conflict prevention	Monitoring Swiss humanitarian ad	CoF	1
Pakistan	Prevention	Evaluation	WHO	2
Sri Lanka	Civil war	Evaluation	CoF	1
Uzbekistan	Epidemics	Prevention	WHO	11
		a		
Latin America				
Brazil	Children's program	Evaluation Brascri	Local authorities	2
Haiti	Structural crisis	Hospital repair, evaluation	NGOs	3
Honduras	Hurricane Mitch	Reconstruction, prevention	UNDP, COF	5
Colombia	Refugees	Coordination program expulsions from the east	Local authorities	2
Nicaragua	Hurricane Mitch	Reconstruction, prevention	UNDP, COF	3
Peru	Prevention/ geodynamic hazards	Prevention	Local partners	1
Venezuela	Flooding	Prevention	UNDP	5

Europe and the C	S			
Albania	Refugees	Winter housing,	NGOs, EPER, UNHCR.	9
		reconstruction of schools,	government	
		"Cash for Shelter", small		
		reconstruction projects,		
		clean water projects		
Bosnia-Herzegovina	Post-war phase	Reconstruction, reintegration	UNHCR, government	12
FRY Montenegro	Post-war phase	Reconstruction	UNHCR, UNICEF	2
FRY Serbia	Post-war phase	Reconstruction, emergency aid, "Cash for Shelter", reintegration	UNHCR, UNEP, NGOs	39
France	Hurricane	Electricity supplies	Local partners	1
Georgia	Post-war phase	Reconstruction of schools	Local authorities, UNHCR	4
Kosovo	Post-war phase	Emergency aid, reconstruction	FOR, UNMIK	52
Croatia	Refugees,	Reconstruction	Local authorities	2
	post-war phase			
Macedonia	Refugees	"Cash for Shelter", small building projects, water	UNHCR, NGOs	2
Moldova	Structural crisis	Provision of drinking water, emergency aid	Government, local authorities	9
Russian Federation	Post-war phase	"Cash for Shelter"	UNHCR	6
Romania	Environmental	Assessment	OCHA	3
	catastrophe			
Slovenia	International	Evaluation Swiss Rescue	IRO	2
	cooperation	Chain missions		
Turkey	Earthquake	Prevention and care program	Local authorities	17
Ukraine	Flooding	Prevention, CoF support,	CoF	5
		dam reconstruction		
Hungary	Flooding, environ- mental catastrophe	Prevention	UNEP, OCHA	9

Total 280 missions in 50 countries

In the year 2000, a total of 361 mission agreements were concluded. Only 280 of those involved missions abroad. The remaining contracts concerned work carried out in Switzerland for projects abroad.

Abbreviations: CoF: SDC Coordination Office – EPER: Swiss Interchurch Aid – FOR: Federal Office for Refugees – ICRC: International Committee of the Red Cross – IOM: International Organization for Migration – IRO: International Rescue Dog Organization – NGO: non-governmental organization – OCHA: UN Office for Coordination of Humanitarian Affairs – UNDAC: United Nations Disaster Assessment and Coordination – UNDP: UN Development Program – UNEP: United Nations Environment Program – UNHCR: UN High Commissioner for Refugees – UNICEF: UN Children's fund – UNMIK: UN Interim Administration Mission in Kosovo – UNRWA: UN Relief and Works Agency for Palestinian refugees in the Near East – WFP: World Food Program – WHO: World Health Organization

Table 6
Humanitarian Aid
of the Confederation
Food aid by products

	2000	
	Amoun!	
	in tons	million SFr.
Swiss dairy products	2'558	17.0
Powdered milk (whole)	621	
Powdered milk (skimmed)	921	
Soft cheese	266	
Other	750	
Cereals		14.0
	21′962	14.0
Rice		14.0
Cereals Rice Corn Wireat and flour	<b>21'962</b> 4'721	14.0
Rice Corn	<b>21'962</b> 4'721 5'396	14.0



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