



# Sustainable prosperity through good economic governance

The promotion of good economic governance is a priority for SECO. Good economic governance contributes to sustainable prosperity by strengthening the economy, promoting investments, creating jobs, and preventing corruption.

Economic governance is a system of institutions, policy and regulatory settings that governments adopt to manage the economy. Good economic governance is based on the principles of rule of law, transparency, accountability, non-discrimination and participation. Implementing rules in a transparent, predictable and reliable way contributes to a resilient and stable economy that fosters economic growth and sustainable prosperity.

## Supporting sustainable economic growth

SECO is the competence centre of the Swiss government for economic and trade policy. Good economic governance lies at the core of the mandate of SECO. SECO builds on its core competences to contribute to the key objectives of the Strategy for International Cooperation 2021-2024, supporting sustainable economic growth, addressing climate change, ensuring basic services and promoting the rule of law.

SECO promotes economic governance in a crosscutting way, meaning that all projects and programs support good economic governance in partnership with other actors. SECO promotes reliable economic framework conditions to allow people and companies to access markets and opportunities. It also supports innovative private sector initiatives to create decent income opportunities.

Good economic governance is crucial for the functioning of the public and the private sector. Reliable economic framework conditions are indispensable for private sector initiatives to thrive and mobilize private investments. They reduce the cost of doing business and uncertainty for companies and investors, which in turn lays the ground for sustainable economic growth. Fiscal, financial and monetary policies, which promote long-term economic growth, are key elements in this context (see project example 1 below).

## Responsible and competitive entrepreneurship

Companies have a significant impact on the performance of national economies. They create jobs, pay wages and taxes, and thus make an important contribution to prosperity. They also have responsibilities. SECO thus supports the development of a responsible and competitive entrepreneurship, namely Corporate Social Responsibility (CSR). SECO encourages business practices that generate shareholder value while being responsible towards employees, society and the environment. In particular, SECO promotes the respect of core labour standards and human rights in entrepreneurial activities (see project example 2 below).

There are challenges, such as the impact of economic crises, political changes or insufficient capacities that may lead to setbacks. Measures often require time, commitment and ownership of all actors involved. SECO is and remains a committed partner that works with the authorities at all levels in its partner countries to address and overcome those challenges, including with policy dialogues. It monitors existing risks and takes action, where necessary, to ensure that its activities have a sustainable impact. SECO does not rapidly change its thematic and geographic priorities in (politically) challenging contexts. In the interest of a long-term impact, it stays engaged and, where necessary, adapts the forms of cooperation or looks for new reform-oriented partners (e.g., sub-national or sectorial authorities, private sector or non-governmental partners).

#### Project example: Bilateral Assistance and Capacity Building for Central Banks (BCC) Program

**Countries:** Albania, Azerbaijan, Bosnia and Herzegovina, Colombia, Peru, Morocco, Tunisia and Ukraine

**Project Partner:** Graduate Institute of International and Development Studies, Geneva

**Time period:** 2017 – 2022 (Phase II)

**Budget:** CHF 7 million (SECO share: 100 percent)

**Objectives:** The BCC Program supports capacity building in central banks to enable them to conduct sound monetary policy and ensure financial stability. Direct beneficiaries are staff in the central banks. Indirectly, the private economy as well as the whole population will benefit from price and financial stability.

**Results:** In addition to the institutional improvements achieved in the eight participating central banks, every year around 500 individuals, of which one third are women, benefit from training and technical assistance.

#### Project example: Sustaining Competitive and Responsible Enterprises (SCORE) Program

**Countries:** Bolivia, China, Colombia, Ethiopia, Ghana, Indonesia, Myanmar, Peru, Tunisia and Vietnam

**Project Partner:** International Labour Organization (ILO)

**Time period:** 2017 – 2021 (Phase III)

**Budget:** CHF 28'679'000 million (SECO share: 13'000'000)

**Objectives:** The program supports training and in-factory counselling that improves productivity and working conditions in small and medium enterprises (SMEs). Beneficiaries of the program are managers and workers in small and medium enterprises.

**Results:** As of December 2019, 85,600 workers and employers from 2,360 SMEs have participated in SCORE training, representing a total workforce of 445'000 people that have benefitted from enterprise improvements. The training effectively helps SMEs find a better road to productivity and growth, from which both workers and employers benefit.

#### Target outcomes and business lines SECO 2021-2024

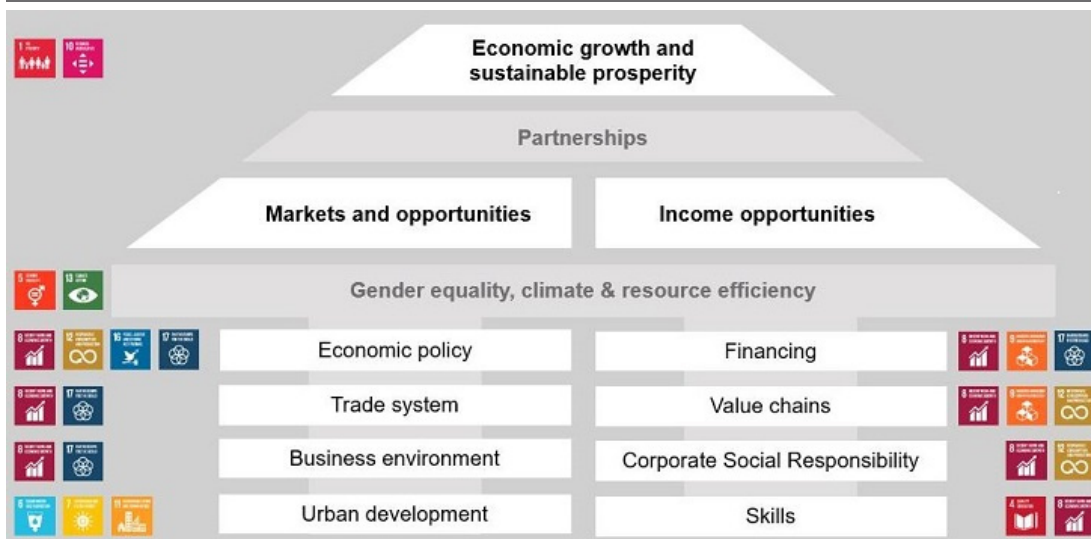


Figure 1: Allocation of SECO activities to the SDGs

#### Further information:

[www.seco-cooperation.admin.ch](http://www.seco-cooperation.admin.ch)

[info.cooperation@seco.admin.ch](mailto:info.cooperation@seco.admin.ch)

WEPO, August 2021