Position of the External Evaluation Committee

on the

" Independent evaluation of the climate approach of SECO's economic cooperation division since 2017" and the corresponding SECO Management Response

- 1. On the 9th of November 2023 the Members of the External Evaluation Committee (the Committee) discussed the Report on the "Independent evaluation of the climate approach of SECO's economic cooperation division since 2017" prepared by PEM consult A/S, DK-Copenhagen, dated July 2023, and the recommendations by PEM consult as well as the corresponding Management Response by SECO Economic cooperation and development.
- 2. The purpose of the Independent evaluation of the climate approach of SECO's economic cooperation division since 2017 was to document the results of SECO's climate activities and provide lessons learnt about good as well as improvable practices on the strategic, institutional, and operational level, thereby offering guidance for the further development of SECO's climate approach. In particular, the evaluation was scheduled and designed to feed its findings into two ongoing strategy processes: the establishment of SECO's climate strategy, the new version to be adopted in autumn 2023, and the development of the up-coming Swiss international cooperation strategy 2025-2028.
- 3. As the evaluation task at hand was unsuited for quantitative approaches with control group designs, the evaluation team enhanced the evaluation's rigor by addressing all evaluation questions at four levels of enquiry thereby building a base of robust, well-triangulated evidence:
 - Strategic level: Assessment of the portfolio, strategies, policies, and their relevance for achieving the objectives- supplemented by a comparison to peers including a comparison with regard to the respective alignment with the Paris Agreement.
 - Institutional level: Assessment of SECO's guidelines, business model, operational practices, and tools.
 - Country and thematic level: Based on the portfolio analysis, three country cases and four thematic areas were selected for separate background studies to provide more detailed insights into SECO's support and contributions to climate action.
 - Project level: Within each of the selected countries and themes, three to five projects were chosen for deep dives into their design, results and impact.

The Committee's discussions of the Report and its corresponding recommendations are summarized below in the following structure: general remarks followed by more detailed comments and the Committee's reaction to the Management Response.

4. General Remarks

- All Committee members expressed their high satisfaction with this very insightful
 independent evaluation and emphasized that the Report is easy to read,
 interesting, even exciting, and provides clear and useful insights into the climate
 performance of SECO WE. The evaluation's methodology (triangulation at four
 levels) is convincing, the Report is very well structured and focused, the statements
 are comprehensible, transparent and critical, but fair, the recommendations are
 well founded.
- The Committee is aware that SECO is not responsible for Switzerland's entire climate policy and that some of the recommendations are outside SECO's sphere of influence. However, the evaluation and the recommendations provide a good basis for refining SECO's climate strategy and offer valuable input for the *Message* of the Federal Council (Botschaft des Bundesrates) 2025-28 on international cooperation.
- The Committee is pleased that the report portrays an overall positive picture of the SECO-WE approach to climate change: the approach proved to be highly relevant, contributed positively to addressing climate change, and the interventions showed no negative trade-offs. At the same time, the Committee agrees with the evaluation's specific recommendations, which show room and concrete pathways to improve SECO's climate interventions.
- The Committee welcomes the presented comparison of SECO's and Switzerland's climate actions and policies with those of other European countries and agrees with the findings that Switzerland's financial commitment and climate contributions are far below a fair share. The Committee applauds the fact that the Report gives useful and concrete background information on how an alignment with the Paris Agreement and the Glasgow Declaration could be implemented.

5. Comments in Detail

• The Committee is impressed by the thorough elaboration of the recommendations and shares the view that the Paris Alignment should be implemented throughout, in all interventions of SECO WE and in other divisions of SECO as well.

- The Committee is pleased that SECO WE has become in some way the 'green conscience' of the entire SECO and encourages SECO WE to continuously strive for climate mainstreaming in the whole State Secretariat.
- The Committee discussed in depth the possibilities of increasing the financial commitment for climate action as recommended by the evaluation and does welcome this recommendation.
- The Committee noted that winning over the private sector's financial strength for climate interventions has proven to be more difficult than planned and to date remains far below the expectations of SECO and the development community. The Committee would support SECO if new financial instruments were available to better tap into the financial potential of the private sector.

 Regarding Recommendation 6 (Strengthen project design to ensure climate impact and learning) the Committee is in favor of its implementation and would welcome the introduction of mandatory climate outcome indicators for all projects that receive a significant/principal Rio marker (marker 1 or 2). The indicators should be monitored ex ante and ex post.

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6. Comments on SECO-WE's Management Response,

- The Committee welcomes that the Management does not oppose any of the
 recommendations and has a predominantly positive attitude towards them.
 However, the committee regrets that the response is somewhat defensive and the
 steps to be taken to some extent lack courage. The Committee thinks that the
 management could actually fully support all recommendations, even if it is obvious
 that SECO WE has to respect its financial and human resource constraints.
- The Committee is pleased with SECO's commitment to aligning with the Paris
 agreement, the process expected to be completed by the beginning of the new,
 2025-28 international cooperation period, and notes positively that the evaluation's
 Paris Alignment Annex provides information on how this can be achieved.
- The Committee supports the recommendation that SECO is to play a more active role on the interdepartmental platform PLAFICO. In the Committee's view, the fact that SECO-WE is not the principal federal office responsible for the climate theme, but just one of the PLAFICO members, should not lead to an attitude of restraint on the platform, as the management response might imply.
- 7. In conclusion, the Committee recommends **disclosure** of the evaluation results and the associated management response, and the Committee encourages that the Paris alignment is communicated clearly in the next Message of the Federal Council on International Cooperation.

The Committee members:

Miges Baumann (Chairperson) Christine Badertscher Raphael Schilling Eva Terberger Martina Viarengo