



## Explanatory report on Switzerland's international cooperation 2021–24

### Q&As for web dossier

#### What does 'international cooperation' mean?

'International cooperation' encompasses actions undertaken in relation to humanitarian aid, development cooperation, peacebuilding and human security. To enable Switzerland to plan its activities and budget for the long term, the Federal Council applies to Parliament for framework credits, covering four-year periods, by submitting the 'Dispatch on Switzerland's International Cooperation'.

#### What are the main changes to Switzerland's international cooperation compared to the prior dispatch period?

##### Geographical and thematic focus:

- **Clear deployment criteria:** the objectives and geographical priority areas defined are based on the needs of affected populations, Switzerland's interests (the economy, migration, security, governance, climate and the environment) and the relative benefits to Switzerland at international level (added value, expertise, innovation).
- **Thematic priorities:** job creation, the fight against climate change, better migration management, and the promotion of peace and the rule of law.
- **Geographical focus:** the FDFA has prioritised four regions for bilateral development cooperation, reducing the number of priority countries from 46 to 34 and disengaging, for example, from Latin America. SECO maintains its focus on 13 priority countries for its economic cooperation.

##### Other priorities:

- Reinforcing the **strategic link between migration policy** and international cooperation, for example through the flexible application of funds to pursue opportunities related to migration policy outside the priority countries.
- More funding to **combat climate change:** around CHF 350 million per year is earmarked for combating and adapting to climate change in the 2021–24 period – 50 million more per year than for the 2017–20 period.
- Stepping up **cooperation with the private sector**, for example by **developing**

### **new financing instruments.**

- Harnessing the **potential of digital technologies** more effectively, e.g. using smartphone payment models, blockchain technology for financial services, and drones and satellite data for crop insurance purposes.
- Switzerland is stepping up its **multilateral engagement**, supporting the adoption of effective reforms and international standards.
- Seeking more **effective ways of interlinking** humanitarian aid, peacebuilding and development cooperation to strengthen developing countries' resilience to crises and disasters.
- **Undertaking more independent evaluations on a scientific basis** to ensure that international cooperation is effective and allow strategy to be adjusted in the medium to long term.

### **How much does Switzerland intend to invest in international cooperation for the 2021–24 period?**

In the explanatory report on international cooperation, the FDFA and Federal Department of Economic Affairs, Education and Research (EAER) have budgeted for **five framework credits totalling CHF 11.37 billion** for the period 2021–24, which will represent **0.45% of gross national income (GNI)** based on current forecasts. This is below the 0.5% GNI target which was approved by Parliament in 2011 and has since been reaffirmed on several occasions.

To put this in perspective: the framework credits approved by Parliament under the 2017–20 dispatch amounted to CHF 11.11 billion.

### **Which countries or regions is Switzerland prioritising for international cooperation in the 2021–24 period?**

In implementing bilateral development cooperation, the FDFA has identified **four priority regions** with the greatest need, which also represent major areas of interest for Switzerland, and where Swiss international cooperation can provide added value:

- North Africa and the Middle East
- Sub-Saharan Africa
- Central, South and South-East Asia
- Eastern Europe

To maintain the critical mass needed for effective engagement, the FDFA intends to progressively transfer resources notably from Latin America, to its four priority regions by 2024. In addition, **the number of SDC priority countries will be reduced from 46 to 34** (see country list in Appendix 4 of the explanatory report). The withdrawal will affect the following countries:

- Azerbaijan

- Bolivia
- Cuba
- Eswatini (Swaziland)\*
- Haiti
- Honduras
- Lesotho\*
- Malawi\*
- Mongolia
- Nicaragua
- Pakistan (2019)
- Zambia\*

\* These countries are currently included in a regional programme for southern Africa. Switzerland has no Swiss cooperation offices in these countries.

In line with its core expertise in trade and economic policy, the EAER's bilateral development cooperation will continue to focus on selected countries in the four regions specified above as well as Latin America (13 priority countries).

Humanitarian aid, multilateral activities and action to tackle global challenges and human security will be focused on the four priority regions, while also retaining their global mandate.

### What is Swiss international cooperation aiming to achieve in the 2021–24 period?

Swiss international cooperation assists in the **alleviation of need and poverty in the world** and promotes **respect for human rights and democracy**, the **peaceful co-existence of peoples** as well as the **conservation of natural resources** (Art. 54 of the Federal Constitution). Meeting these objectives is also in Switzerland's interests, given that its open, globalised economy relies on a stable international, rules-based system. Global challenges such as sustainable economic growth, instability, migration, climate, the environment and health call for coordinated action across national borders. International cooperation therefore means **investing in security, independence and prosperity in Switzerland and around the world**.

Key objectives for the 2021–24 period are as follows:

- Contributing to sustainable economic growth, creating markets and **jobs** (economic development);
- Addressing **climate change** and its effects and sustainably managing natural resources (environment);
- Saving lives, delivering good-quality basic services and reducing the causes of **forced and irregular migration** (human development);
- Promoting peace, **the rule of law** and gender equality (peace and governance).

## How will international cooperation take Switzerland's migration policy interests into account in the future?

International cooperation serves Switzerland's interests by helping to manage migration more effectively in the following three ways:

- **In the short term**, international cooperation helps to tackle the causes of flight and forced displacement, find solutions for displaced people, and protect refugees in their initial host countries.
- **In the medium term**, international cooperation aims to reduce irregular migration and facilitate optimal solutions for the integration of migrants and displaced people in developing countries.
- **In the long term**, international cooperation addresses the root causes of irregular and forced migration, including poverty, armed conflict, poor governance, and the impacts of climate change.

More specifically, steps will be taken to reinforce the **strategic link between international cooperation and migration policy** at three different levels:

- At **political level** by systematically addressing migration issues in policy consultations. The Federal Council intends, in particular, to enter into further migration agreements and partnerships.
- At **geographical level** by ensuring that federal government's country strategies systematically address migration. Greater financial flexibility should also allow Switzerland to exploit opportunities more effectively in relation to migration policy.
- At **thematic level** by specifically incorporating migration and forced displacement into relevant international cooperation programmes, such as projects focusing on prevention, protection and integration and improving economic, political and social prospects in migrants' home countries.

## What has international cooperation achieved to date?

Humanity as a whole has never had it so good. People are enjoying better, longer, healthier and safer lives than ever before. And international cooperation has helped to achieve this. A number of scientific studies have shown that official development assistance has a positive impact on living standards and economic growth in developing countries. **Some notable successes:**

- The proportion of people living in extreme poverty fell from 41% to 10% between 1981 and 2015.
- The proportion of people living in democracies increased from 33% to over 55% between 1970 and 2015.
- The proportion of undernourished people fell from 28% to 11% during the same period.
- The percentage of children dying before the age of five fell from 36% at the start

of the 20th century to 4% by 2015.

- The proportion of adults who can read and write rose from 21% to 85% over the same period.
- Eight out of ten people now have basic access to electricity, while nine out of ten have access to drinking water.

Switzerland has contributed to these successes. Some examples taken from the 2018 **mid-term report on the international cooperation dispatch for 2017–20**:

- Some 8 million people have better access to drinking water and more effective farming irrigation systems.
- Nine million people, mostly women, have benefitted from basic education or vocational training due to Switzerland's involvement.
- Improved access to capital has enabled 517,000 businesses to create new jobs.
- Switzerland has assisted 5.3 million people in urgent crisis situations and helped a million to rebuild following natural disasters and armed conflicts.
- Switzerland has supported ten official peace processes, including the Syrian peace process, and engaged in ceasefire negotiations in six countries, including Myanmar and Colombia.

According to the mid-term report, SDC and SECO projects generally show a very high **84% to 85% success rate** compared to other countries.

### Why is Swiss involvement still needed?

In a globalised economy, economic problems in one part of the world quickly affect other parts. Moreover, climate change and the depletion of natural resources are problems that transcend national boundaries, **requiring concerted action by the international community.**

Despite the progress made in recent decades, the world still faces considerable challenges. Ten per cent of the world's population still lives in **extreme poverty**, with more than half of the extreme poor living in Sub-Saharan Africa. Although income differentials between countries have narrowed recently, **socioeconomic inequality** within countries remains a major issue. Discrimination and limited prospects for young people, in particular, impact negatively on economic growth in the long term and can create conflict. **Armed conflicts**, which are often complex and protracted, are again on the rise, with civilians now accounting for up to 80% of the victims. Other challenges include **poor governance, human rights violations, inadequate public services, over-indebtedness, unchecked urbanisation, and the unsustainable use of natural resources.** All these factors have an adverse impact on development.

### How does international cooperation benefit people in Switzerland?

- Many **jobs** in Switzerland are tied, directly or indirectly, to the global economy. Switzerland has an open, globalised economy which relies on a stable

international, rules-based system, which also contributes to the **security of its people**.

- In addition, international cooperation raises income levels and improves economic conditions in developing countries, helping to create **new markets for Swiss companies** and in turn boosting economic growth, which creates Swiss jobs.
- Official development assistance (ODA) **is good for the Swiss economy** as it stimulates demand (e.g. purchases of goods and services in Switzerland).
- Many of the migration, security, environmental and health challenges the world is currently facing also affect Switzerland in terms of climate change, asylum seekers, the threat of terrorism and pandemics. These challenges cannot be tackled by just one country alone, but require a global response. This also **ensures a sustainable way of life for future generations** in Switzerland.
- Switzerland's international cooperation, multilateral engagement and good offices create goodwill and open doors that might otherwise remain closed. This enables Switzerland to **defend its independence and interests effectively when shaping global rules**. As a neutral country that is not a part of any alliance, Switzerland relies on its international partners.
- By supporting poor and troubled countries Switzerland is addressing some of the root causes of forced migration and creating new economic opportunities for people living in poverty, thus providing **alternatives to migration** in the medium to long term.
- International cooperation raises Switzerland's profile abroad and enhances the appeal of **Geneva as a venue for international organisations**. International Geneva contributes an estimated 1% to Swiss GDP.

#### **Why is a consultation held on international cooperation in the 2021–24 period?**

At the end of November 2018, the Federal Council decided, for the first time, to hold an optional public consultation on international cooperation for the 2021–24 period. The cantons, the political parties represented in the Federal Assembly, the municipalities, cities and mountain regions, umbrella business associations and other stakeholders will be invited to comment.

This broad-based consultation should ensure that the next dispatch on international cooperation sets out a common vision of Switzerland's response to the many challenges facing the global community. The consultation procedure will run until 23 August 2019. The Federal Council is expected to approve the dispatch by the beginning of 2020 for submission to Parliament.