



**HELNETAS**  
Swiss Intercooperation

Position Paper

**UNDER THE BANNER OF**

**THE 2030 AGENDA**

**FOR SUSTAINABLE DEVELOPMENT**

Every state should play its part in creating a just world where all men and women determine the course of their lives in dignity and security, using environmental resources in a sustainable manner.

HELNETAS Swiss Intercooperation is calling on the Swiss government to strengthen international cooperation and align its policies with the 2030 Agenda for Sustainable Development. Development cooperation is no substitute for political will.

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In brief

International cooperation has increasingly become a politician's plaything in recent years. It is expected, on the one hand, to overcome world poverty, drive economic progress and curb unwanted migration, while on the other it is accused of ineffectiveness and is a favourite target for budget cuts. What such criticism often ignores is that international cooperation must be able to count on a favourable political environment if it is to spark deep and lasting improvements. To put it simply: What politics does not want cannot be achieved by cooperation. Without serious efforts to bring about sustainable development of the kind set out by the 2030 Agenda for Sustainable Development across all areas of policymaking, real change will be patchy at best.

When problems and crises go global, politicians too must look for global answers. Eradicating poverty in all its forms, combating inequality within and among countries, preserving the Planet, shaping an inclusive and sustainable economy and fostering social inclusion and gender equality are linked to each other and are interdependent. This forges a shared sense of responsibility, which requires all states to work together within the framework of international agreements. It calls for a fundamental transformation of our production and consumption patterns, and a reformed political environment. This commitment would also be in Switzerland's self-interest, for isolating ourselves and doggedly protecting our privileges runs counter to sustainability and progress. Indeed, Switzerland, which owes much of its prosperity to its international economic relations, has a particular duty to press ahead with the political measures necessary for the implementation of the 2030 Agenda. In this position paper, Helvetas therefore addresses eight demands to Swiss politicians and government officials, with an overarching plea for a coherent overall policy ensuring that any strategy and intervention by Switzerland with an impact on developing countries promotes sustainable development.



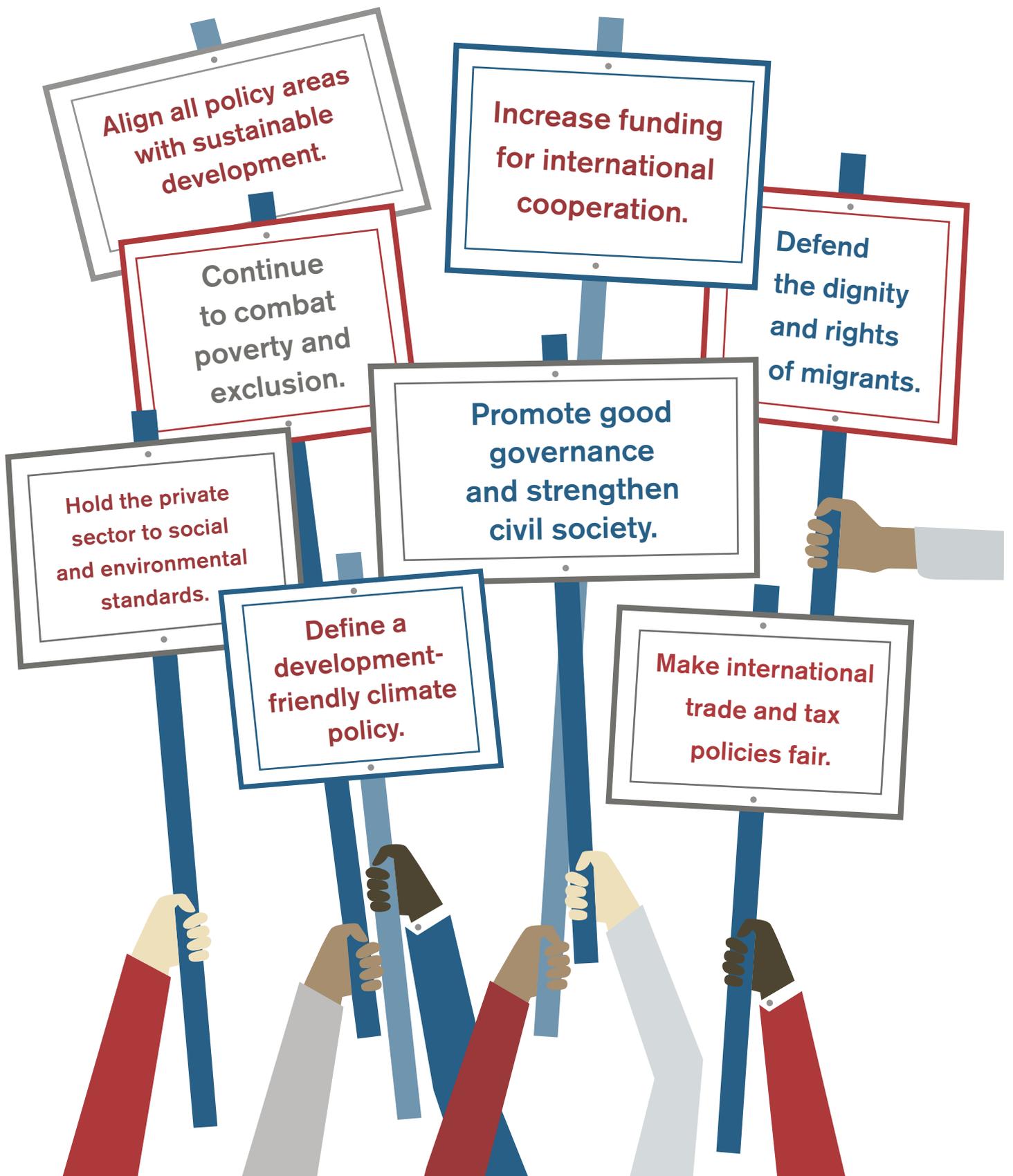
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## WHAT HELVETAS DEMANDS



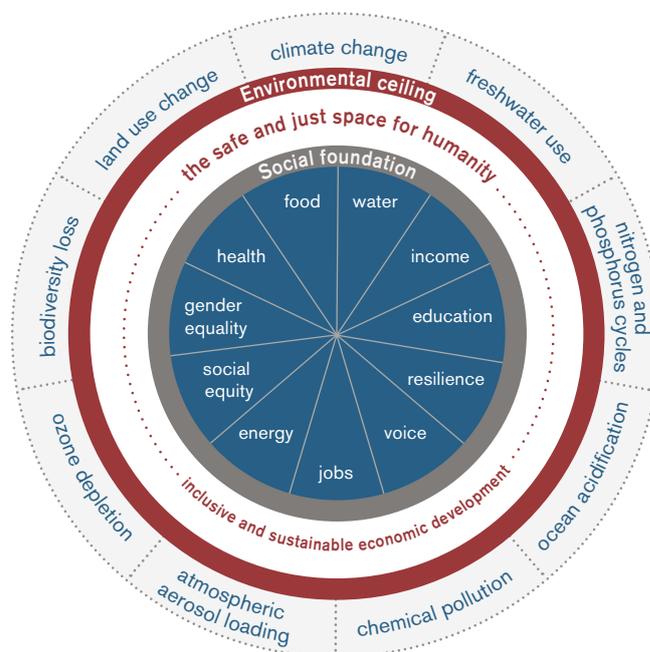
# CONDITIONS FOR DEVELOPMENT

Developing countries themselves should decide where their «sustainable development» fits on a spectrum between basic social security and planetary boundaries. International actors can support this by helping to create the «conditions for development» through political advocacy and development cooperation.

The purpose of public and private agencies working in the field of international development (ID) is to bring about «development». Since Rio 1992 – and even more so since the UN General Assembly’s approval of the 2030 Agenda in September 2015 – they generally refer to their objective as «sustainable development». This means «development that meets the needs of the present without compromising the ability of future generations to meet their own needs» (Brundtland Report, 1987). Where opinions diverge, however, is how to turn this principle into a development strategy, since it is hard to balance economic performance with social solidarity, environmental responsibility and political participation. This gives rise to fundamental disagreements between supporters of the 2030 Agenda. While some see «green» economic growth as the engine of sustainable development, others contemplate alternative economic paradigms: the idea of prosperity without growth has long since entered mainstream thought.

Thus we come to the question of what the various ID actors perceive development to be and what their targets are. What is often forgotten is that successful development can never be imposed from outside. It is not up to international actors to define which areas of development to emphasise: it is up to the society of the respective country to decide how it wishes to shape its own «sustainable development». This requires all sections of the population to be included in the processes of devising and deciding on policy. The sole constraint is that any solid strategy must strike a balance between basic social security and «planetary boundaries» if it hopes to be able to create a safe and just space for humanity to live in (Fig. 1). Many parts of the system are out of kilter and need to be brought back into sync, even in Switzerland.

Fig. 1: The safe and just space of humanity



Source: Raworth/Oxfam 2012. Own adaption.

So international actors can and should support processes that shape social, economic, environmental and political progress in developing countries. Their political advocacy and development cooperation help to create the «conditions for development».

# SWITZERLAND'S ROLE IN THE WORLD

Switzerland has a long humanitarian tradition and is the depository state of the Geneva Conventions, the foundations of international humanitarian law. Its development cooperation has always been committed to solidarity with the world's poorest people. That is one side of the coin. On the other, Switzerland is one of the richest countries on Earth, and it owes this status in part to its strong position in the world market, its tax regime («tax haven») and the many international companies domiciled here.

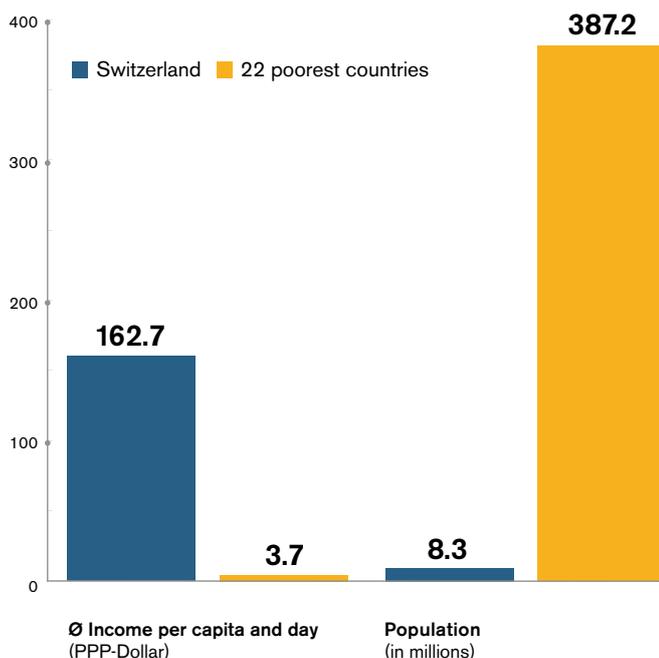
In terms of development policy, it would be disingenuous to highlight only the «humanitarian» face of Switzerland. We should instead address the country's «other» political face. We must strengthen the former and change the latter so that Switzerland supports sustainable development in all policy areas.

## Rich Switzerland – Poor Countries

Hundreds of millions of people continue to live in extreme poverty and are denied a life of dignity. There are rising inequalities within and among countries, with enormous disparities of opportunity, wealth and power. Gender inequality remains a key challenge.

Switzerland is one of the richest countries. In 2016, its gross domestic product (GDP) was \$494 billion in purchasing power parity (PPP), roughly equivalent to the aggregated GDP of the world's 22 poorest countries (\$524 billion). However, whereas the latter have a combined population of around 387 million people, Switzerland has only 8.3 million inhabitants. With an average of 162.7 PPP dollars per capita and per day, Switzerland's economic performance was therefore 45 times greater than that of the 22 poorest countries (3.7 PP dollars) (Fig. 2).

Fig. 2: Rich Switzerland – 22 poorest countries (2016)



| 22 poorest countries 2016                      |      |                               |      |
|--|------|-------------------------------|------|
| Average income per capita and day (PPP-Dollar) |      |                               |      |
| Somalia*                                       | 1,13 | Togo                          | 4,24 |
| Central African Rep.                           | 1,80 | Guinea-Bissau                 | 4,30 |
| Congo Dem. Rep.                                | 2,15 | Sierra Leone                  | 4,53 |
| Burundi  | 2,24 | Gambia                        | 4,56 |
| Liberia  | 2,42 | South Sudan                   | 4,58 |
| Niger**  | 3,05 | Haiti**                       | 4,89 |
| Malawi   | 3,12 | Burkina Faso**                | 4,91 |
| Mozambique**                                   | 3,37 | Kiribati                      | 4,24 |
| Guinea   | 3,48 | Ruanda                        | 5,22 |
| Eritrea  | 3,62 | Ethiopia**                    | 5,25 |
| Madagascar**                                   | 4,12 | * 2015                        |      |
| Comoros  | 4,19 | ** Helvetas Project Countries |      |

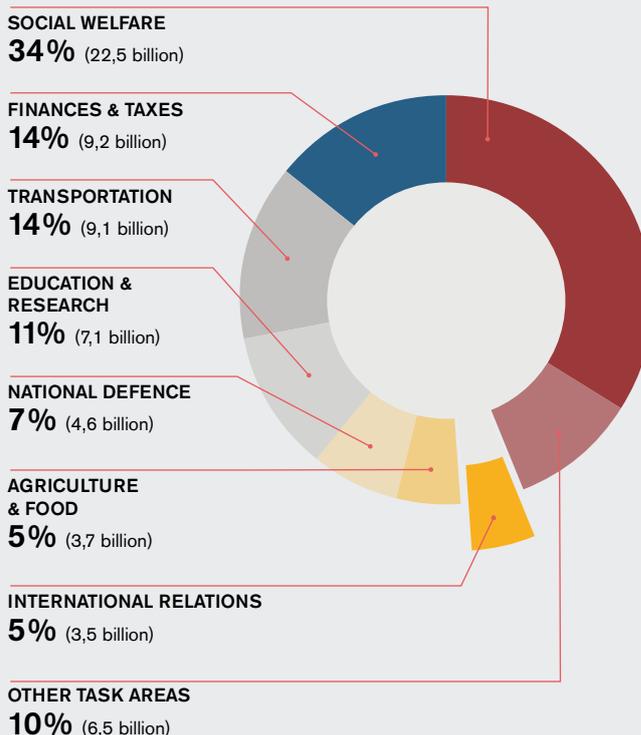
Source: IMF World Economic Outlook Database, October 2016. Own graphic.

## Modest Funding for Development Cooperation

The Swiss federal government's total expenditure in 2016 came to CHF 66.3 billion, of which 5% (or CHF 3.5 billion) was allocated to «International relations» (Fig. 3), which corresponds to the expenditure on «Agriculture and food» and is one million lower than the expenditure on «National defence» (CHF 4.6 billion).

International cooperation accounted for CHF 2.6 billion (3.9% of federal expenditure): for development aid and cooperation with Eastern Europe, humanitarian aid, peace and human rights efforts. This represents 0.39% of gross national product (GNP) of CHF 654 billion. The official figure for Switzerland's «official development assistance» (ODA), calculated according to OECD criteria – CHF 3.51 billion or 0.54% of GNP – is misleading because almost 20% of that was spent on asylum costs within Switzerland. The average proportion of ODA spent by OECD donor countries on domestic asylum issues is only 11%.

Fig. 3: Federal expenditure by task area (2016)



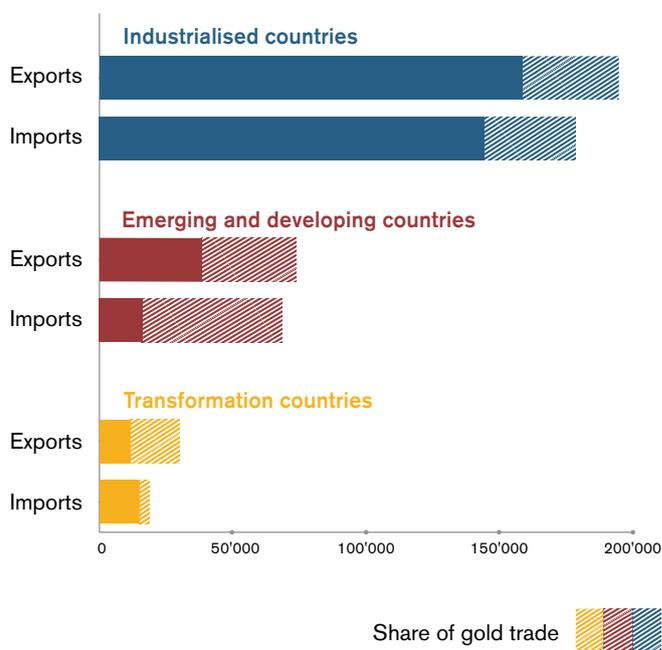
Source: FFA. Own graphic

## Swiss Foreign Trade

Foreign trade is a mainstay of Switzerland's prosperity. In 2016 exports totalled CHF 298 billion and imports CHF 266 billion. Trade in gold bullion accounted for 30% and 35% of those amounts respectively. A quarter of foreign trade was conducted with emerging and developing countries – CHF 74 billion in exports and CHF 68 billion in imports – with gold accounting for the lion's share (47% of exports and 75% of imports) (Fig. 4). Excluding the gold trade, Switzerland registered a CHF 22 billion foreign trade surplus with emerging and developing countries. This is based largely on exports of chemical and pharmaceutical products, watches and machines, appliances and electronics. Expenditure on international development aid pales in comparison with this sum of CHF 22 billion: it amounts to a meagre 12% of the trade surplus with developing and emerging countries.

With over 20% of the world market, Switzerland plays a leading role in the trade in commodities including metals (60%), crude oil (35%), coffee (56%) and grain (35%). Sixty per cent and more of metals and mineral ores, coal and oil come from developing countries. The UN estimates that commodity exports account for at least 50% of total export revenues in the case of 100 developing countries, rising to 80% for half of all African nations. This lends even

Fig. 4: Foreign trade by economic zone 2016 (in millions of CHF)



Source: FFA/FCA. Own graphic.

greater urgency to calls for transparency in commodity trading. However, although Switzerland intends to reform the stock corporation law to make mining more transparent, this will not affect commodity trading, for which voluntary guidelines on the implementation of the UN's Guiding Principles for Business and Human Rights are supposed to suffice.

Switzerland's foreign trade is based on a trade policy tailored to the interests of the export industry and has come in for criticism from development experts. This concerns both free trade agreements and investment promotion and protection agreements. These are designed to achieve the greatest degree of market access, access to the service sector, far-reaching patent protection and a preferential legal status for investors at the host country's expense. Since WTO negotiations have been stalled for many years, Switzerland has been concluding free trade agreements to push through its interests, either bilaterally or as part of the European Free Trade Association (EFTA). These usually include a statement of intent in the preamble regarding compliance with environmental and labour standards, but the draft version of the highly controversial plurilateral Trade in Services Agreement (TISA), currently being negotiated by 23 WTO member states including Switzerland, makes no mention of human rights or environmental standards.

## Financial Flows

Switzerland's financial services industry contributes around 10 per cent of its gross domestic product. Swiss banks managed over CHF 2,400 billion in foreign assets in 2016, making Switzerland the world's largest offshore centre. According to the non-profit organisation Global Financial Integrity, illicit financial flows from developing and emerging countries to industrialised countries amount to roughly

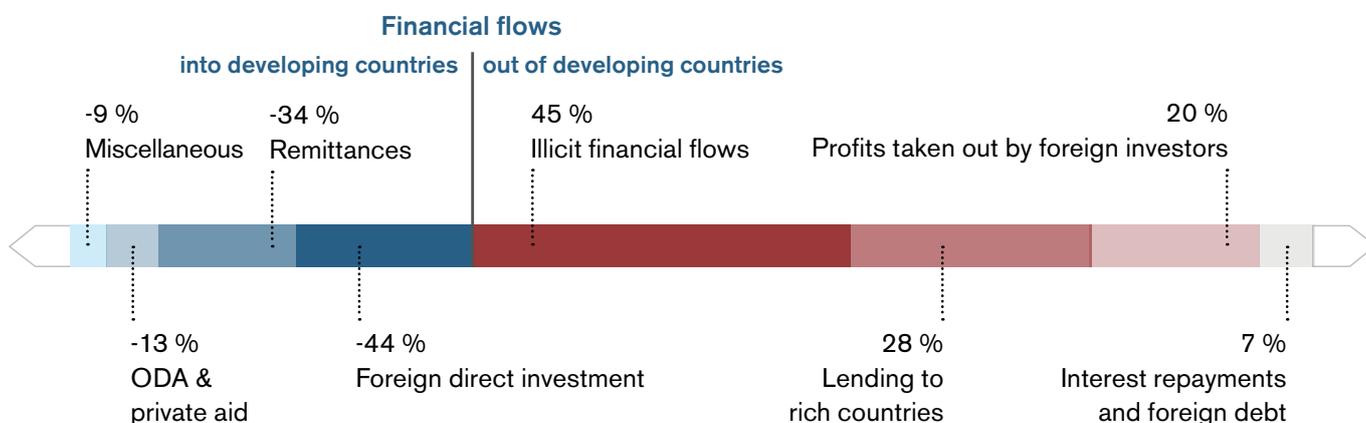
\$1 trillion per year, with 30% of this total entering Switzerland. Some 60 per cent of this money is derived from tax evasion, followed by corruption, crime and misappropriation of public funds.

According to an IMF study, transnational corporations used tax avoidance schemes to siphon off over \$200 billion from developing countries into tax havens in 2014 (there are no figures for the proportion of this that ended up in Switzerland). Tax exile by private individuals is responsible for roughly \$125 billion in further losses to developing countries. These lost taxes to the tune of some \$340 billion per year have the greatest impact on the poor, since the upshot is a shortage of funds to spend on public services such as education or health. This is not to say that authoritarian regimes would necessarily use taxes for these purposes: a fair fiscal system also requires measures to promote good governance.

Switzerland is currently pursuing a «zebra policy» – a transparent clean money strategy using Automatic Exchange of Information (AEOI) with industrialised and major emerging countries, and an opaque dirty money strategy towards the remaining countries. Missing AEOI protects dictators and members of the business elite who deprive their countries of taxes and thus the means to invest in common property, yet still take advantage of them themselves. In certain cases, however, the lack of an AEOI can protect people from abuse by authoritarian administrations.

The fact remains, however, that more than double the amount flowing into developing countries comes back in the other direction, as the European Network for Debt and Development (Eurodad) pointed out for the period 2008-11 (Fig. 5).

Fig. 5: Financial flows (period 2008-2011)



Source: Eurodad, 2014. Own graphic.

# CHALLENGES IN THE GLOBAL SOUTH

Its own prosperity and the gross inequality between North and South make it Switzerland's duty to show solidarity with poor and disadvantaged people in developing countries. Three challenges require special attention: poverty and exclusion, migration, and climate change. Nonetheless, advocacy also focuses on education, health, demographics, infrastructure, resource management and income generation.

## Poverty and Exclusion

767 million people worldwide – just under 11 per cent of the global population – live in extreme poverty according to the World Bank definition (since 2015) with an income of less than \$1.90 PPP per capita per day. In Sub-Saharan Africa over 40 per cent of people live in extreme poverty, while the corresponding figure is 15 per cent for South Asia (Fig. 6).

Poor and disadvantaged people in developing countries suffer regular violations of their dignity, breaches of their rights and exclusion. Specific characteristics such as people's geographical origins, ethnicity, sex, religion or residency

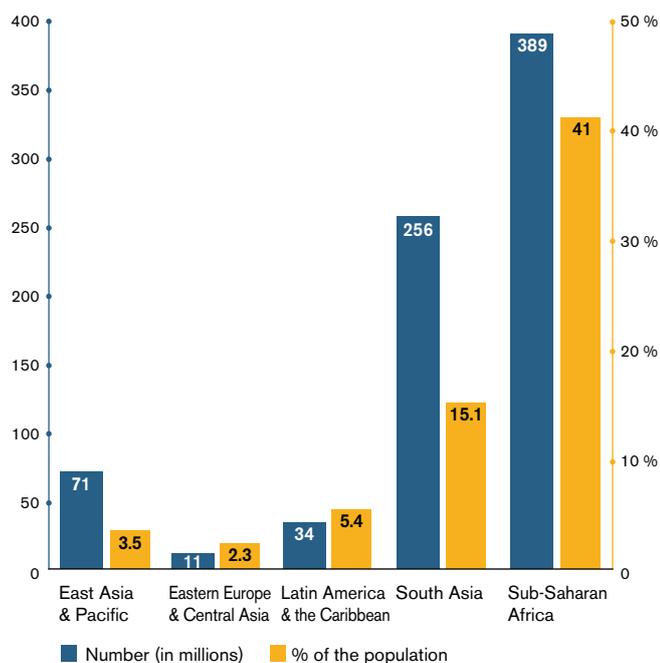
status are used to curtail their rights and freedom, and consolidate and justify legal discrimination. The main contributing factor to social exclusion, however, is poverty. Poor people do not have the means to participate in political, cultural and social life, and their access to land, work and services (education, healthcare, social security, energy, information) is hugely restricted. Yet poverty is not only a cause of social exclusion; it is also its consequence. If a person, a family or a community lacks access to markets and services, to a fair hearing, information and social networks, then they will not be able to improve their material situation in any lasting way.

So the focus when encouraging people to shape and develop their own future should not be on economic growth alone, but must also take account of a range of social dimensions. To quote the Social Progress Index (SPI) developed by the Social Progress Imperative, these dimensions can be divided into three areas, each containing four categories:

- Basic Human Needs: nutrition & basic medical care; water & sanitation; shelter; personal safety;
- Foundations of Wellbeing: access to basic knowledge; access to information & communications; health & wellness; environmental quality;
- Opportunity: personal rights; personal freedom & choice; tolerance & inclusion; access to advanced education.

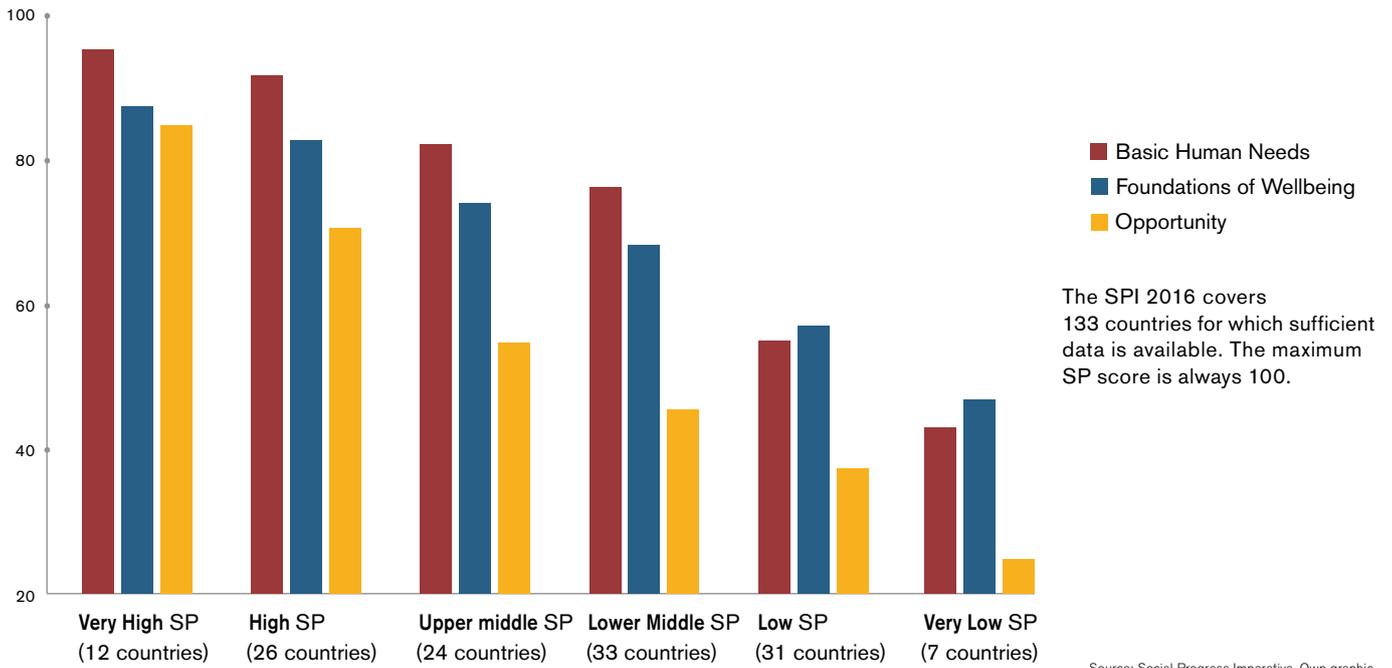
What the SPI scores clearly show is that the greatest shortcomings worldwide are in the area of «Opportunity», and this is the number one constraint on development initiatives. This is especially striking in countries with a low SP score (Fig. 7). To lay the foundations for social change, one should therefore focus on rights and freedoms, as well as inclusion, tolerance and access to advanced education.

Fig. 6: People in extreme poverty in 2016



Source: World Bank. Own graphic. Insufficient data available for North Africa & Near East.

**Fig. 7: Country groups by Social Progress score, 2016**



## Forced Migration

Migration is the general term for a change of place of residence, whether this change is forced or voluntary. It is «forced» migration that is of greater political interest. People are compelled to leave their region of origin due to violent conflict or political persecution, extreme poverty, exclusion or exploitation, or due to the effects of climate change or natural disasters. Forced migration is therefore always a violation of an individual’s human rights, be those civil and political, economic, social or cultural.

In truth, migration is always «mixed», impelled by a variety of causes and taking a variety of shapes and courses. People’s destination when migrating depends on the one hand on their resources and possibilities, and on the other on the political and legal context and the protection they offer.

In 2015 UNHCR calculated that there were some 65 million refugees worldwide fleeing political persecution or violent conflict. Forty million of them were displaced within their own countries. Of those who had to leave their homelands, two-thirds were absorbed by the Middle East and Africa, while only 6 per cent reached Europe. Displaced people require humanitarian aid and shelter first, but in the longer term they need a secure residential status as well as social and economic prospects in their new location. This should not give them preferential status over the native population, however.

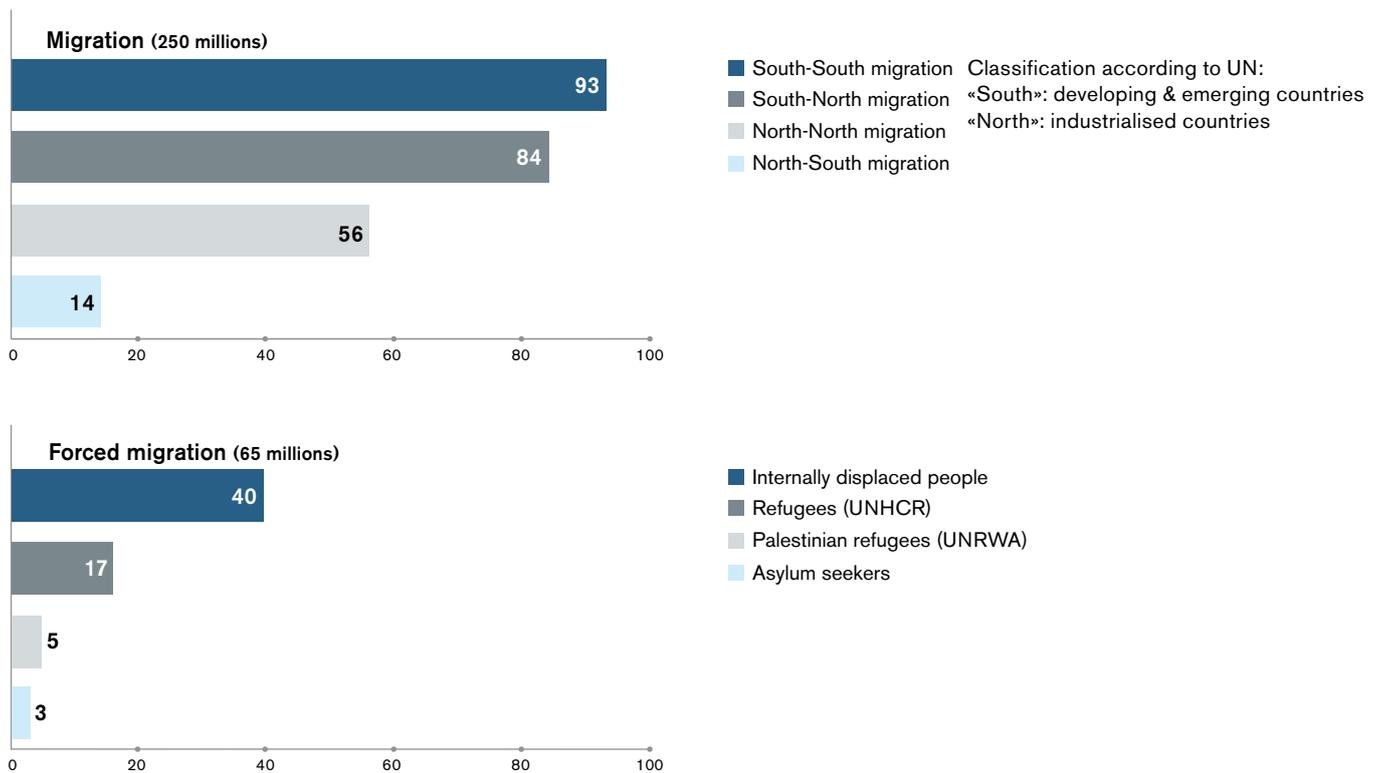
Overall, roughly a quarter of a billion people presently live outside their countries of origin, seventy per cent of them from the Global South. Over half of them have remained in the South (Fig. 8). Many of these people migrated in the hope of escaping poverty and a lack of opportunities, yet they are often subjected to exploitation and discrimination without any legal protection. They fall into the clutches of unscrupulous agents, are exploited as domestic servants or fall victim to human trafficking and prostitution. Migration can offer these people better prospects if they are able to live and work in humane and legally secure conditions – a cornerstone of fair migration that has been included in the 2030 Agenda.



© Reuters/Rodi Said

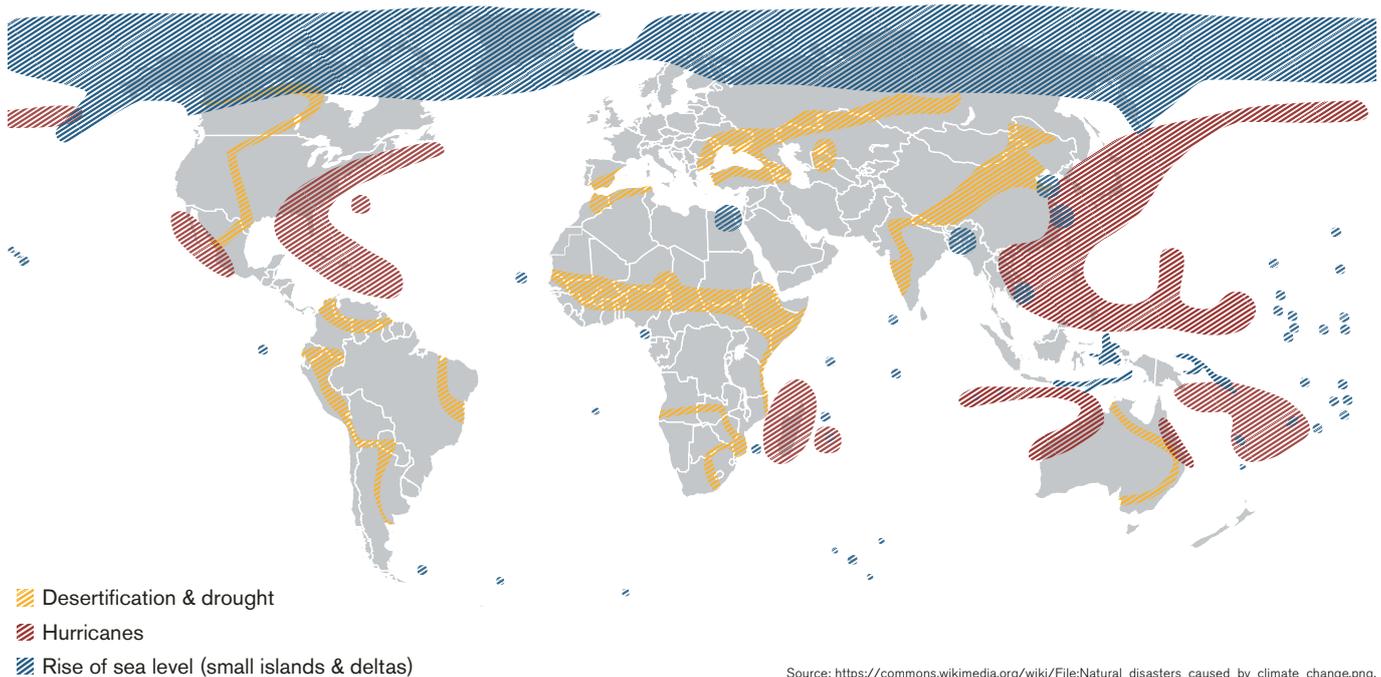
Jesidic refugees from Northern Iraq on their way to the Syrian border

**Fig. 8: Global migration and forced migration, 2016**



Sources: UN & UNHCR. Own graphic.

Fig. 9: Areas exposed to natural disasters caused by climate change



## Climate Change

Climate change and sustainable development are inextricably linked. The consequences of climate change for developing countries are especially alarming: (a) unpredictable weather patterns, (b) more intense tropical storms, rainfall and flooding, (c) more droughts causing food scarcity, and (d) rising sea levels. Poor communities are hit particularly hard due to their geographic locations and because they lack the resources they would need to adapt.

The objectives of international climate policy are to keep global warming below 1.5 °C or at most 2 °C, and to adapt to the new conditions. Poor and vulnerable communities require assistance to help them deal with the effects of climate change, and cope with humanitarian crises on their own. This is only possible if there are changes to the political and economic framework. Governments must lead the way by investing in sustainable rural development so that the local population can improve their resilience.

Climate-induced migration is a major and unpredictable challenge. Droughts, tornadoes and floods cause regional migration, much of it from the countryside to the city. If this is not possible, then people may flee to a neighbouring country where they survive under precarious conditions. Transregional migration is extremely rare. Rising sea levels will also result in irreversible regional movements of population to neighbouring countries. One can only guess at the scale of the phenomenon worldwide, but current studies talk of at least 20 million climate refugees, rising to a projected 200 million to a billion people by 2050.

Climate change and its consequences call for the international community to put forward large sums of money. Rich countries have pledged \$100 billion per year from 2020 to reduce greenhouse-gas emissions and support climate change adaptation in developing countries. Given its climate footprint, its historical responsibility and its economic clout, Switzerland will be expected to contribute about CHF 1 billion annually. Yet the federal government announced in May 2017 that it intended to pay only \$ 450-600 million per year from 2020 and would do so by raiding the development aid budget, as always, supplemented by private funding. The government gave no indication of how this private money was to be raised.

# THE CORNERSTONES OF GLOBAL POLITICS

In order to tackle these challenges and steer the world towards a model of sustainable development the international community added two new global frames of reference to the Human Rights Framework in 2015, which are supposed to serve as a guideline for national and international development strategies for the coming years.

## The 2030 Agenda for Sustainable Development

The 2030 Agenda approved by the UN General Assembly in September 2015 is a «plan of action for people, planet and prosperity», which «seeks to strengthen universal peace in larger freedom». Key part is the 17 Sustainable Development Goals (SDGs).

The Agenda aims to...

- ... end poverty in all its forms everywhere;
- ... ensure education and healthcare for all;
- ... ensure dignified lives and well-being for all at all ages in a healthy environment;
- ... protect the planet through sustainable consumption and consumption patterns, sustainable natural resource management and urgent action to combat climate change;
- ... foster economic, social and technical progress in harmony with nature;
- ... build peaceful, just and inclusive societies, protect human rights and promote gender equality and the empowerment of women and girls.

This agenda is extremely ambitious, as the international political situation is currently light years behind this vision of solidarity and sustainability. It was, however, a compromise solution on which all could agree at the end of very tough negotiations. Development can and must go on, and the SDGs are intended to set the path for the world's development endeavours. There are three essential points to be noted here:

- > A global partnership will strengthen the means of implementation, forge greater solidarity, pay special attention to the needs of the poorest and the weakest, and be backed by all countries, stakeholders and individuals. Private investments may assist with the

implementation of the 2030 Agenda if they meet binding environmental and social standards and human rights.

- > One new aspect is the universal applicability of the Agenda, with each UN member state doing its bit to implement it nationally and internationally. Industrialised countries must also address their shortcomings in terms of sustainability and, given the global imbalance in terms of wealth and resource use, have the largest share of responsibility for meeting the SDGs.
- > Every state must pledge to be coherent in its development policy, which means that it must align its various policy areas to achieve sustainable development as well as ensuring that they do not cancel each other out. This applies as much to domestic policy as it does to foreign policy. Switzerland can and must be a trailblazer here. A coherent implementation of the SDGs must guarantee that progress towards one goal does not lead to setbacks in reaching other goals. This will only be achieved if the relevant national and international institutions are strengthened, and civil society is included in the debate.





© HELVETAS/Fatoumata Diabate

Effects of climate change: drought in Ethiopia

## The Paris Agreement on Climate Change

When it adopted the Paris Agreement in December 2015, the international community pledged to restrict global warming to under 1.5 °C or at most 2 °C. One thing was very clear to all the parties: although acting immediately to reduce greenhouse gas emissions will be very expensive, tackling the effects and dangers of climate change later would cost many times more.

However, the agreement is not very pro-development. Important principles are relegated to the unbinding preamble, for instance the commitment to respect and promote human rights and the rights of indigenous peoples, gender equality and intergenerational equity, and a reference to «the fundamental priority of safeguarding food security and ending hunger». Yet the operative articles of the agreement to reduce global warming guarantee investment opportunities for the private sector, for example in the renewable energy sector.

Nevertheless, the agreement sets a clear path forwards. Since industrialised and emerging countries are the main culprits for climate change, they have a duty to lead the way

in terms of renewable energy and sustainable consumption patterns. Developing countries are expected to shape their «right to development» in a climate, environmental and socially acceptable manner. Despite all the commitments made in Paris, however, it is by no means sure that greenhouse gas emissions will be reduced. Various industrialised countries are approaching the change from fossil to renewable energy extremely tentatively. President Trump's US administration is out on its own after announcing its departure from the agreement, with only the international pariah state of Syria for company. Nicaragua, on the other hand, has declined to be involved, as it regards the agreement as being insufficiently ambitious and binding.

There are encouraging developments, though. As early as 2008, 48 especially vulnerable developing countries came together to form the Climate Vulnerable Forum and agreed to convert to renewable energy as quickly and as completely as possible. Over one hundred states, including Switzerland, joined forces in Paris to found the High Ambition Coalition, which campaigns for an upper limit of 1.5 degrees Celsius. It will now have to show how ambitious the individual members will remain.

# DEVELOPMENT COOPERATION:

## ITS IMPACT AND ITS LIMITS

Development cooperation is not a silver bullet. It would be wrong to expect that it can deal with the challenges in developing countries on its own. It can and does, however, lend impetus to development processes. By focusing on poverty reduction and income generation in the poorest countries it lays the social foundations for economic development in many places.

By reducing poverty, development cooperation simultaneously combats exclusion in all its forms, provides disadvantaged sections of the population with access to medical care, water and education, and helps them to participate in political, cultural and social life. Poor and vulnerable communities receive support that enables them to increase their resilience to the effects of climate change. By taking human rights seriously and working with civil society organisations, development agencies help poor and marginalised communities to shape their own development.

### Helvetas' work in the South

As a development organisation, Helvetas has a vision in which men and women determine the course of their lives in dignity and security using environmental resources in a sustainable manner (Fig. 10). It is committed to social justice and gender equality. Helvetas works with its local partner organisations to ensure fair access to vital resources and safeguard people's social, political, environmental and cultural rights. The organisation works on three interlocking levels: implementing development programmes, providing thematic advice in its core areas of expertise, and advocating together with its partner organisations for the interests of its stakeholders in policy dialogue with the authorities. Helvetas does this in five working areas corresponding to the rights and basic needs of poor and disadvantaged communities. Studies and experience have shown repeated success in triggering significant impulses for development. They also show, however, that our endeavours have only a limited scope if they cannot build on a coherent development policy in line with the 2030 Agenda.

> **Governance & Peace:** People strive for a better life for themselves when they are protected from arbitrary decisions by good governance and non-violent conflict resolution. In a society offering opportunities for all,



Shaping one's own development: vocational training of women in a tree-nursery in Guatemala, the «land of trees» (toltec)

people are encouraged to organise and demand their basic rights. Authorities are empowered to fulfil their duties and create an enabling environment for civil society to flourish.

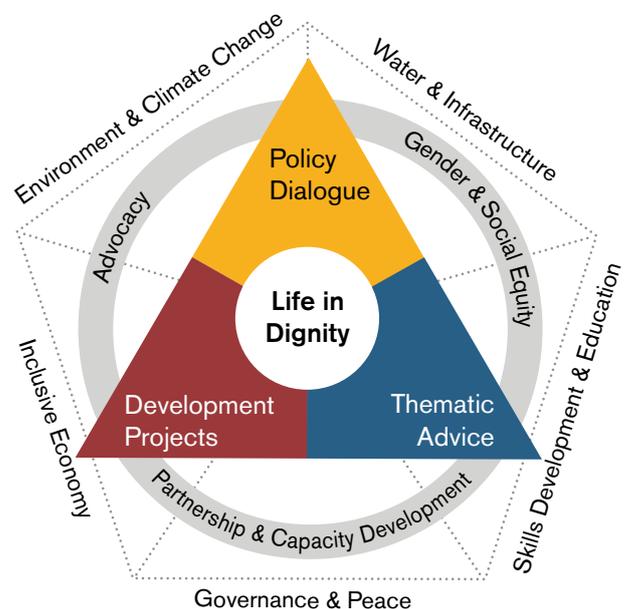
> **Inclusive Economy:** Farms and small businesses can be a driver of sustainable development in rural areas if they are able to improve their income and conserve nature at the same time. Helvetas gives them advice about economic irrigation and organic production methods, but also product diversification as well as local and regional marketing up to international fair trade.

> **Environment & Climate Change:** Farming families in vulnerable regions receive technical advice that allows them to protect themselves from climate and environmental risks, adapt their production techniques and take care of soils, wood and water catchment areas.

In parallel, Helvetas lobbies authorities and campaigns in international climate forums to limit global warming and in particular introduce adaptation programmes to help poor communities. Helvetas also advocates a coherent Swiss climate policy.

- > **Water & Infrastructure:** Water is a basic prerequisite for development. Disadvantaged communities need to have access to safe and affordable drinking water, appropriate sanitation and water to irrigate their fields. Helvetas advocates a fair water policy and sustainable water management in policy dialogue with governments. In addition, rural all-weather trails including trail-bridges and road infrastructure provide access to basic services and markets.
- > **Education & Skills Development:** In contrast to education, skills development has only returned to the forefront of development thinking in recent years. Young people and young adults in rural areas – especially girls and women – receive training tailored to the demands of the local labour market. Business skills boost entrepreneurship and help people to set up small companies. State agencies receive support in the training of teachers and the development of teaching material.

Fig. 10: «Life in Dignity» – the work of Helvetas



Source: Helvetas International Programme 2017-2020

Helvetas' systemic approach prevents isolated activities in the various working areas. This is in line with the 2030 Agenda's integrated approach in reflecting the «deep inter-connections and many cross-cutting elements across the new Goals and targets» (2030 Agenda, Point 17). Together with its partner organisations, Helvetas is able to bring about improvements for its stakeholders through a sustained policy dialogue with the authorities in its partner countries. But we too reach our limits, for the present international political framework is anything but development-friendly. By lobbying on development policy issues in Switzerland Helvetas intends to ensure that the overall framework becomes gradually more conducive to development efforts.

## EIGHT DEMANDS ADDRESSED

## TO THE SWISS GOVERNMENT AND POLITICIANS

The Sustainable Development Goals (SDGs) must serve as a roadmap for politicians, business and society as a whole; global justice, equal opportunities, humane living conditions and a respect for planetary boundaries depend on it. In line with the international community, Switzerland has to align its domestic policy areas as well as its international relations to the 2030 Agenda. With its development cooperation, Helvetas contributes to achieving some of the Agenda's goals. However, Helvetas is also addressing eight development policy demands to the Swiss government that underpin global sustainable development.

### 1. Align all policy areas with sustainable development.

The 2030 Agenda calls for political coordination and coherent policies from industrialised countries. Without coherent development policy all the efforts of development cooperation will ultimately be for naught. Domestically, this means that national political decisions must not exacerbate poverty and social inequality or lead to greater wastage of resources. At the same time, Switzerland is to devise all its political interventions affecting developing countries in a way that promotes development. Thus free trade agreements must respect human rights, social and climate-protection standards should be incorporated into investment promotion and protection agreements, illicit financial flows from developing countries must be stopped, and strict guidelines must be introduced to ensure that food and feed imports from developing countries do not undermine food security there. Public procurement should consistently foster sustainability by including strict economic, social and environmental standards.

**Helvetas asks the Federal Council to ensure that the relevant departments and agencies apply a coherent policy for sustainable development and adapt their political strategies and instruments accordingly. This applies to trade, finance and fiscal policies as much as it does to environmental and climate policy, peace, migration, human rights, education, health and agriculture. The Federal Council should also report annually to Parliament and the public on the progress made in ensuring coherence between different areas of policy.**

### 2. Increase funding for international cooperation significantly.

Switzerland is one of the richest countries on Earth. Average annual income is around \$60,000 in PPP, compared with \$1,350 in the 22 poorest countries. And yet a parliamentary majority, in favour of the Federal Council's proposals and referring to the debt brake, decided to gradually and disproportionately reduce public funding for development cooperation, although at the same time more and more tasks are being transferred to it. When the asylum costs in Switzerland are excluded, Switzerland's official development assistance (ODA) fell to 0.43 per cent of gross national product in 2016. In order to justify these savings, development cooperation in political discourse is often denigrated and its effectiveness is questioned.

**Helvetas reminds the Federal Council of the international target for 0.7 per cent of GDP to be spent on aid as a means of fighting poverty and as an expression of our solidarity with people in developing countries. This target was first set by the UN in 1970 and it was reaffirmed in the 2030 Agenda. We also call on the Federal Council to give stronger public backing to development aid and explain its various tasks as well as its impact. It should also refrain in future from including asylum expenditure in ODA. Helvetas expects Parliament to halt the cuts to international cooperation and gradually increase funding to the international norm of 0.7% of GDP. This would enable the prosperous Switzerland to live up to its responsibilities in the implementation of the 2030 Agenda.**



Overcoming poverty: cultivation and local marketing in Mali

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Safer labour migration: counseling on opportunities and threats (Nepal)

© HELVETAS/Patrick Rohr

### 3. Continue to combat poverty and exclusion.

Development cooperation helps to overcome poverty, hunger and exclusion, achieving significant progress in recent decades. In the developing countries, the proportion of people living in extreme poverty has declined from almost 50 per cent to 14 per cent since 1990. Malnutrition has been halved to about 12 per cent. Nevertheless, one in ten people is still affected by extreme poverty and malnutrition, especially in Sub-Saharan Africa and South Asia. Poverty goes hand in hand with exclusion as it prevents people from accessing basic services and participating in social life.

**Helvetas sees effective poverty reduction as a matter of creating the material prerequisites to satisfy people's basic needs. Above all, however, it is about respect for human dignity and human rights and overcoming social and gender inequality and exclusion. Helvetas expects SDC and SECO to stick to poverty reduction and social inclusion as the main focus of their long-term development programmes. Every community has a right to access to healthcare, water, education and skills development, energy, resources and a functioning legal system, along with the right to participate in political, cultural and social life. Helvetas calls on the Federal Council to block any attempt to instrumentalize development aid for other interests and goals, e.g. domestic migration concerns, climate finance or the self-interest of the private sector.**

### 4. Defend the dignity and rights of migrants.

Worldwide, 250 million people live outside their respective countries of origin, most of them escaping poverty or violence in the hope of finding refuge and a new life. Migration can provide people a future if they are able to live and work under humane conditions on the road and once they settle somewhere. Yet many of them are victims of various forms of exploitation and discrimination. According to UNHCR, there are 65 million forced migrants on the run from war, persecution or human rights violations, 40 million of them internally displaced. Many of the relatively small number of refugees who do attempt to reach rich countries never make it. The UNHCR counted 3 million asylum seekers worldwide in 2016.

**Migration always has an impact on development processes in the poorest countries. Helvetas therefore welcomes the fact that development agencies and funders have integrated migration issues into their work. First priority is to provide humanitarian aid to forced migrants in a manner that respects their dignity and their human rights, and to protect them in their countries of origin and on the road. Switzerland should play an active part in the international migration dialogue to work towards solutions for the vast majority of refugees in their countries of origin or neighbouring regions. At the same time, Swiss international migration policy should also focus in particular on protection against exploitation in labour migration and ensuring compliance with labour standards - including the ILO conventions related to migration - as important components of a «fair migration» policy. Furthermore, Helvetas expects the Federal Council to develop its domestic asylum policy along the basic values of solidarity and dignity.**



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Adaptation to climate change: water pond for cultivation in Ethiopia



© HELVETAS/Christian Bobst

Participation of civil society: assembly of the council in Ahuri/Ethiopia

## 5. Define a development-friendly climate policy.

All states should have a common concern to protect global public goods. This also includes limiting climate warming, which has devastating effects on poor and exposed communities in developing countries. Most of them have neither the resources nor the resilience to cope with the impacts of droughts, floods and hurricanes. Particular emphasis must therefore be laid on adaptation programmes for poor countries and communities, which are particularly hard hit by the consequences of climate change through no fault of their own. Such approaches should always be committed to poverty reduction. Industrialised countries – including Switzerland – and, increasingly, emerging countries have an obligation here for having caused climate change.

Helvetas campaigns for an alignment of international efforts to combat climate change with the fight against poverty. Helvetas expects the Swiss government and administration to significantly increase their climate ambitions, both in their international pledges and through a systematic reduction of CO<sub>2</sub> emissions at home. International financial obligations should not be borne by the development cooperation of SDC and SECO, but must be solved with additional, cause-appropriate financing instruments. Helvetas calls on the Federal Council to campaign in global climate forums for funding for adaptation measures to be raised to 50 per cent of internationally available climate finance, and for this money to be predominantly paid to poor and especially vulnerable countries and communities in the South.

## 6. Promote good governance and strengthen civil society.

Change requires development-friendly framework conditions. This is not the case in countries with authoritarian regimes or in fragile states without functioning institutions that find themselves in a precarious situation. There is a lack of good governance, respect for human rights, the provision of public services and the recognition of an independent civil society. The latter raises its voice in favour of human and minorities rights, implements its own projects using specific expertise, keeps a critical eye on the authorities and denounces social and political abuse. Its member organisations are essential, even though they can sometimes be thorns in the side of a «strong state».

Helvetas expects the Federal Council, in its foreign policy relations, to urge governments, especially authoritarian regimes and leaders of fragile states, to adopt the basic principles of good governance and respect human rights. This is about the rule of law, participation of the population and an effective administration that provides access to public services to its people. They must also combat corruption, legal discrimination and widespread immunity for those in power. Furthermore, Helvetas calls on the Federal Council to campaign for an enabling environment for civil society which includes the right to free expression, the possibility to participate in politics and a secure legal basis for the work of non-governmental organisations. This support is even more crucial for international and local civil society organisations operating in fragile environments.



Cotton: social and environmental standards for cultivation ...

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... and trade due to fair trade regulations (Kyrgyzstan)

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## 7. Hold the private sector to social and environmental standards.

The private sector is expected to contribute to poverty reduction and sustainable development, as the 2030 Agenda provides. Many companies have pledged to operate in a socially and environmentally friendly manner and shape their business models in a sustainable manner. These companies are interesting partners for joint development efforts. Nevertheless, there are still plenty of large international corporations that optimize their profits at the expense of local populations and the environment. They care little about human rights and international environmental standards and appropriate, if necessary, the most fertile land and transfer their profits to their head offices in the North.

**Helvetas calls on the Swiss government and administration to legally obligate internationally operating companies based in Switzerland to comply with human rights and international environmental standards worldwide. A duty of due diligence is also to be applied by company headquarters to subsidiaries and supplier companies. Helvetas therefore supports the Responsible Business Initiative. In the interests of increased transparency, companies are also to publish their accounts with country-specific, tax-relevant data. To companies entering into partnerships with development organisations, qualification and transparency criteria must apply. They should anchor social responsibility as an integral part of their business model, pay attention to poverty reduction and the protection of global public goods, take account of employment and vocational training needs in developing countries, and invest their profits largely in the respective country of operation.**

## 8. Make international trade and tax policies fair.

As a leading offshore financial centre, the world's most important commodity-trading hub and home to numerous transnational corporations, Switzerland bears a special responsibility on the way to a sustainable global trade, finance and tax system. Companies based here benefit from tax avoidance in the countries in which they generate their profits being favoured with low tax rates in Switzerland. In its foreign trade relations Switzerland still pursues a free trade strategy driven by self-interest, at the same time maintaining, if necessary, restrictive import and customs barriers, especially on agricultural products.

**Helvetas expects the Federal Council to champion multi-lateral trade rules that take account of human rights and incorporate international environmental standards. When negotiating bilateral free trade agreements, it should ensure that no negative impacts on the poverty-stricken population in the Contracting Party arise. Protectionism to the detriment of developing countries must be excluded. Furthermore, Helvetas expects the Federal Council to adopt a transparent and fair foreign fiscal policy in terms of development policy coherence. It should strive for worldwide implementation of the Automatic Exchange of Information on tax issues which meets the conditions and needs of each particular developing country. The upcoming Corporation Tax Reform must rule out tax avoidance by transnational companies and make it impossible for them to shift their abusive profits to Switzerland.**



## Impressum

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