

COUNTRY FACTSHEET

February 2016

SWISS COOPERATION WITH UKRAINE



Switzerland is actively involved in supporting Ukraine with reforms, peacebuilding and national cohesion, as well as in promoting sustainable economic and social development. Projects are focused on the following priority areas: Good governance and peacebuilding, healthcare, energy efficiency and sustainable urban and economic development. In addition, Switzerland is active in providing humanitarian aid, in particular in supporting national and international aid activities.

Background

Ukraine is one of the largest but poorest countries in Europe. This former Soviet Republic, which gained independence in 1991, is currently going through a serious crisis. The conflict in the east of the country and the annexation of Crimea by Russia have to date caused almost 10,000 deaths and the displacement of 2.5 million people within their own country. Ukraine's economy is in a crisis with severe socio-economic consequences as a result of the conflict in parts of the industrial Donbass region in the east of the country and the current political instability. The infrastructure in the conflict zone has been destroyed to a large extent and the humanitarian situation is a cause for serious concern. Ukraine hopes that the association agreement it signed with the EU in 2014 will help it to push ahead with political and

economic reforms.

In the search for a solution to the conflict in eastern Ukraine, in 2014 a Trilateral Contact Group (TCG) was formed in Minsk, comprising representatives of Ukraine, Russia and the OSCE. The TCG has agreed to a set of measures with representatives of the armed rebel groups to end the military conflict. The Minsk agreements include provisions for a ceasefire and certain rights to self-administration at the local level for some parts of eastern Ukraine. Many of the measures are not being upheld and work is continuing on the implementation of the agreements.

Swiss support

Switzerland has been supporting Ukraine in its transition to democracy and the social market economy since the 1990s. In 1999, it opened a cooperation office in Kyiv. From the outset its programmes were concerned with aspects of good governance with a focus on projects to improve the living conditions of the people and the efficiency of public services, as well as projects to promote sustainable economic growth. Switzerland's current programme is based on its Cooperation Strategy 2015–2018, which sets the priorities of Swiss transition cooperation with Ukraine carried out by SECO, the SDC and, for the first time, the Human Security Division (HSD) of the FDFA.

Local governance and peacebuilding

The decentralisation of state structures is one of the most important reforms introduced by the government and includes the separation of powers, improving the efficiency of the administration, and fighting corruption. Switzerland supports this reform at all levels.

In the field of peacebuilding, especially in the conflict zone in the Donbass region, the HSD is supporting the peace efforts of the OSCE by providing personnel and expertise and through specific projects. A solution to the conflict by peaceful means and the stability that this would create are major cornerstones for the successful implementation of reforms throughout the country.

Health

In the field of healthcare, Switzerland is supporting the Ukrainian authorities with, among other things, developing and carrying out reforms to improve basic medical care with the aim of improving the quality of healthcare provision and ensuring that healthcare is both affordable and accessible. Attention is being focused on especially vulnerable population groups, in particular in those parts of the country where there are concentrations of internally displaced persons and/or victims of the conflict.

A further priority is preventing non-communicable diseases such as cardiovascular diseases, diabetes and cancer. Promoting a healthy lifestyle aims to reduce major risk factors such as smoking, excessive alcohol consumption, lack of exercise and unhealthy diets.

Sustainable economic development

Small and medium-sized enterprises (SMEs) are the focal point of Switzerland's support activities. The aim is to facilitate access to financial services for SMEs, to train them in business management, and to improve the legal frameworks within which they operate. Suitable financial products are being developed with financial institutions, and the authorities are receiving support in carrying out reforms in the field of economic legislation and creating appropriate conditions for investment.

Energy efficiency and sustainable urban development

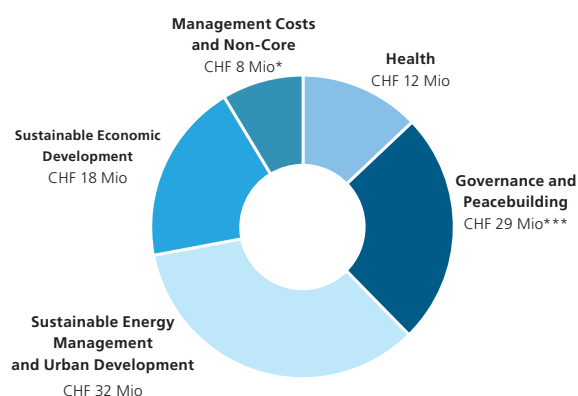
Regarding its energy supply, Ukraine has set the aim to become more independent of sources from abroad and to optimise its own energy consumption. In this challenge Switzerland supports Ukraine from both the energy consumption and energy supply perspectives. Energy consumption can be reduced through the use of more energy-efficient technologies and well thought-out urban development. In this context, Switzerland has provided both financial support and expertise to a successful project in the city of Vinnytsia.

Humanitarian Aid

Switzerland has been providing humanitarian aid in Ukraine since the outbreak of the conflict in 2014. It has provided financial and logistical support to the aid projects of multilateral organisations active on both sides of the contact line (UNHCR, WFP, ICRC). In addition it provides emergency aid for people most in need, in particular through close cooperation with the Czech organisation 'People in Need', whose activities include repairing damaged housing. Lastly, Switzerland has sent a total of three humanitarian convoys into the conflict zone, transporting materials for water treatment, as well as drugs and other medical supplies. The deliveries were made both to those parts of the country controlled by the government and those outside its control.

Budget

In order to be able to meet the challenges confronting both Ukraine and the international community, Switzerland has more than doubled its commitment to the reforms and to a settlement of the conflict in the last four years. To this end it has earmarked more than CHF 100 million** for the 2015–18 period.



*Non core encompasses possible interventions outside the four core domains

**The financial contribution made by Swiss Humanitarian Aid is not reported because it varies according to the prevailing situation and is geared to current needs.

***Only the HSD part is included in the financial reporting and amounts to CHF 20.2 million for the 2015-18 period.

Imprint

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COUNTRY FACTS (Source : World Bank)

Life expectancy at birth (2013)

Ukraine : women 76 years, men 66 years

Switzerland : women 85 years, men 81 years

Gross domestic product per capita (2014)

Ukraine : 3 082 USD

Switzerland : 85 594 USD

Population (2014)

Ukraine : 45,4 million

Switzerland : 8,1 million