



## Switzerland's Economic Development Cooperation in Colombia

### SECO's Economic Cooperation and Development Program

- **SECO's Economic Cooperation and Development Division is responsible for the planning and implementation of economic cooperation and development activities with middle income developing countries, with countries of Eastern Europe and the Commonwealth of Independent States (transition countries) as well as the new Member States of the European Union.** It coordinates Switzerland's relations with the World Bank Group, the regional development banks and the economic organizations of the United Nations. SECO is part of the Federal Department of Economic Affairs, Education and Research (EAER).
- The overriding objective of Switzerland's international cooperation is sustainable global development that will reduce poverty and global risks. Accordingly, **SECO's economic and trade policy measures strive to integrate its partner countries into the global economy and foster economic growth that is both socially responsible and environmentally friendly.** SECO bases its activities on its specific areas of competence and experience in promoting economic and **fiscal policy, urban infrastructures and utilities, the private sector and entrepreneurship, sustainable trade and climate-friendly growth.** Special emphasis is placed on issues relating to economic governance and gender. It has a budget of roughly 380 million Swiss francs per year.
- **Egypt, Ghana, South Africa, Indonesia, Vietnam, Colombia, Peru – all rapidly expanding economies on the threshold of global market integration yet still facing the problem of poverty. These have been SECO's priority countries since 2008 and, together with Tunisia, they will remain the focus of our intervention over the next four years.** As their role in the global economy expands, they continue to gain in significance, for example in providing global public goods. However, despite rapid growth rates in these countries, their development remains fragile. Poverty and social disparities persist, accompanied by other global challenges such as urbanization, infrastructure bottlenecks and unemployment.

### Economic Cooperation Program in Colombia

- **Colombia became a priority country for SECO's economic cooperation in 2008,** although several projects had been financed in Colombia on a pilot basis in the late 1990s and early 2000s. A local office was opened in 2010 within the Swiss Embassy in Bogotá in order contribute to pipeline development and project monitoring. It currently employs 4 persons full time, including one SECO expatriate.
- **Since 2008, Switzerland committed around USD\$ 30 millions in more than 15 different technical assistance and capacity building programs implemented in Colombia either**

bilaterally or through specialized implementation agencies. Total disbursements in the 2009-2012 period reached USD\$ 23 million.

- SECO's 2009-2012 country strategy for Colombia has proven relevant and fully in line with Colombia's national development strategies. **Among the major successes were the enactment of several key decrees simplifying the business environment and contributing to significant savings for the private sector at the national and sub-national level, the enactment of a new *Law on Consumer Protection* and the enactment of a national policy on *National Disaster Risk Management*. Another major outcome has been the enactment of a decree relating to the private sector's responsibilities in managing electronic waste and the launching of the first collective compliance scheme for the collection and recycling of electronic waste in Latin America.** The measures supported by SECO also helped to raise awareness and transfer knowledge on various innovative issues linked to national priorities, such as the preparation of a national "Green Building" code, the dissemination of corporate governance tools for family businesses, as well as new capital markets regulatory regime requirements.
- **A new country strategy 2013-2016 has been prepared in close coordination with the Colombian Government, where SECO expects to commit CHF 55 million.** The strategy focuses on three strategic pillars of intervention:

#### **Pillar 1. Strengthen public institutions to improve service delivery and governance**

Switzerland contributes to the institutional strengthening of the public sector with the objective of supporting a more efficient, effective and transparent management. This pillar also encompasses measures to further strengthen market institutions and improve the economic framework in areas such as financial, trade and business regulations, thereby facilitating the emergence of a competitive private sector.

#### **Pillar 2: Enhance international competitiveness to achieve more inclusive growth and reduce inequalities**

Switzerland supports Colombia's efforts to achieve a more inclusive and diversified growth pattern, working on the creation of a more conducive business environment for SMEs, and addressing key bottlenecks such as low factor productivity, insufficient financial market deepening and barriers to market access. This pillar also encompasses measures to promote innovation and the diversification of the economy to unlock new drivers for growth.

#### **Pillar 3: Strengthen climate change risk management and sustainable urban development to mitigate the impact of climate change and manage rapidly growing urbanization**

Switzerland supports Colombia in its effort to strengthen climate risk management policies and information systems, focusing on climate-relevant information and data. Key areas of support include integrated waste management systems including sanitation, urban planning, sustainable construction and housing, as well as the promotion of renewable/non-conventional energies. SECO's support in this field is aimed at contributing to the gradual emergence of greener and more sustainable cities over time, factoring in climate change risks and vulnerabilities.

- **SECO's activities are complementary to those of other Swiss cooperation actors.** Indeed, Switzerland has been engaged in the fields of peace building and human rights for over ten years. Furthermore, Colombia is also a priority country for Switzerland's humanitarian aid, focusing on protecting and improving the living conditions of the population hardest hit by the internal conflict and also on emergency relief.