



UN Global Compact: Communication on Engagement (COE)

Swisscontact – Swiss Foundation for Technical Cooperation

Period covered by this Communication on Engagement: From 31 October 2016 to
31 October 2018

Part I: Statement of Continued Support by the Executive Director

Zurich, 29 November 2018

To our stakeholders:

I am pleased to confirm that Swisscontact reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Samuel Bon CEO and Executive Director

Swisscontact's Guiding Principle

Vision: We make a sustained, effective contribution towards the reduction of economic disparities in an increasingly complex, globalized world.

Mission: We promote economic, social, and environmental development by helping people integrate into local economic life. We thus make it possible for them to improve their living conditions through their own initiatives.

Our commitment

- We are recognised as the reference for private sector development in Switzerland and worldwide.
- We believe that market mechanisms and a strong private sector create jobs and generate income, thereby reducing poverty.
- We are personally dedicated to our cause and loyal to our organisation.
- We strive for professionalism and quality in project implementation and adhere to ethical principles to carry out our mission.
- We are a politically independent and non-denominational development organisation.
- We are dedicated to equal rights and opportunities.

Our responsibility

- We respect our beneficiaries and all people with whom we work.
- We respect the environment in which we operate.
- We understand our work as a common effort, working as a team with our donors, partners, and beneficiaries.
- We are committed to safeguarding our Code of Conduct and feel personally accountable for our actions.
- We meet our contractual and legal obligations.
- We deliver evidence-based results.

How we work

- We understand our role to be that of a facilitator in project implementation, fostering a sustainable environment for entrepreneurship, access to information, skills, and markets, while meeting the employment and income objectives.
- We deliver practical, market-oriented solutions adapted to local realities to meet the challenges of economic development.
- We strive for sustainability in all our activities, efforts, and resources.

Part II: Description of Actions

Swisscontact signed the UN Global Compact in 2009. Within the recent years, we haven't been actively involved in the UNGC Switzerland Network activities. Nevertheless, we have been actively promoting the ten principles of the UNGC. With this Communication on Engagement, we would like to highlight some of our key activities.

Labour (Principles 3-6)

Our Code of Conduct obliges Swisscontact, its employees and partners to fully comply with the International Labour Standards. In the selection process of our project partner, sub-contractors and local SMEs, we check their compliance with the Core Conventions of the International Labour Organisation (ILO) and do not cooperate with non-compliant companies and organisations.

Especially in projects promoting private sector development, we are engaged in the enhancement of labour standards and the sustainability of production. To give an example – the Sustainable Cocoa Production Program (SCPP) was initiated in 2012 and is currently the largest Public Private Partnership development program of its kind in Indonesia. It is funded by the Swiss State Secretariat for Economic Affairs (SECO) and collaborates with nine local and multinational cocoa and chocolate companies (Barry Callebaut, Cargill, Ecom, Guittard, JeBeKoko, Krakakoa, Mars, Mondelēz International and Nestlé). The Program follows a three-dimension approach: People, Profit, and Planet, meaning economic, social and environmental dimensions. Working with the private sector and cross sector platforms provides immense opportunities and synergies to achieve sustainable change in the cocoa sector, with SCPP at the heart of these initiatives and the actual motor behind most of the activities to align with Government of Indonesia sector development plans. One of the targets of the project is the abolition of child labor on the cocoa farms. Since cocoa farmers are vulnerable to inadequate social conditions, it is not sufficient to focus on increasing the income of the smallholders alone. Thus, the Program aims to improve the communities' access to nutrition and other basic services, promote the inclusivity of marginalized groups like women and youths, as well as improve the communities' capacity for social development.

Swisscontact is dedicated to equal rights and opportunities. With many of our projects, we are promoting the inclusion of vulnerable groups, especially women, youth, and migrants. For example, the Promoting Private Sector Employment program (PPSE), implemented by Swisscontact in Kosovo since 2013, aims at creating gainful and inclusive employment for young people, women and minorities (particularly Roma, Ashkali and Egyptian minorities) in dynamic SMEs in growing selected sectors. Another example is our Coaching for Employment and Entrepreneurship (C4EE) project, implemented in Kosovo and Albania since 2012, which targets groups whose individuals are most likely to miss out on education and Vocational Education Training in Albania including school drop outs, school leaving youth, people from remote areas, orphans, Roma and Egyptians, people with disabilities, people at risk of being trafficked as well as women in vulnerable situations such as single mothers, divorced women and widows. A specific target sub-group of the project are returned migrants in need of social and economic re-integration. To promote the development of the young people and members of vulnerable groups, the project strives to resolve master tackle fundamental crucial pivotal constraints such as lack of professional and life skills of the participants, lack of knowledge and orientation regarding labour market opportunities, lack of access and proper services in this context at different levels.

Environment (Principles 7-9)

One of our key working areas is Environment: By promoting climate-smart economy, people in developing and emerging economies not only have the opportunity to develop and implement sustainable development practices, but also incorporate them into their business activities. The aim is to promote environmentally and climatically sustainable economic growth that integrates the low-income population while protecting them from environmental and health damage as well as the negative effects of climate change.

In 2018, Swisscontact formalized its commitment to safeguard the environment in an Environmental Policy. The new policy sets Swisscontact's institutional framework to protect the environment in all its operations, to improve awareness among employees about the environmental impact of their actions, and sets priorities to improve the institution's footprint such as the need to minimise energy consumption. The policy is accompanied by practical instructions regarding raising staff awareness, reduction of energy consumption, print-outs, recycling, and airplane transportation.

Thematic Global Communities of Practice (CoPs) are internal exchange platforms that serve to connect our staff worldwide and link them to global and regional KCM (Knowledge and Content Management) initiatives. Within the CoP Environment, Swisscontact has developed and tested an Environmental Assessment Tool which allows to identify environmental impacts and benefits of our projects and provide an overview on the different levels of integrating environment, ranging from a basic do-no-harm approach to a strong environmental focus.

In April 2018 the FINCA project for sustainable chocolate, implemented in Ecuador by Swisscontact together with Chocolats Halba and Coop, won the Swiss Ethics Award, which rewards projects that set new ethical standards for business. The FINCA project in Ecuador has economic, environmental, and social objectives, including raising living standards for cocoa farmers, improving biodiversity, and supporting new generations of farmers. The goal of the project is to support young cocoa farmers to plant fine cocoa of the "Cacao Nacional Arriba" variety in sufficient quantities and organically. In addition to cocoa seedlings, trees and useful plants are planted on the same land to enhance the plantations' resistance to climate threats. This improves smallholder farmers' long-term income opportunities. The project is financed by the Swiss Agency for Development and Cooperation (SDC) together with Chocolats Halba, Coop, and Bjorg Bonneterre et Compagnie.

In 2017, Swisscontact concluded the pioneer project "Aire Limpio" (Clean Air) in Bolivia, implemented since 2003 and financed by the Swiss Agency for Development and Cooperation (SDC). Within this project, Swisscontact supported numerous Bolivian cities to reduce air pollution. Based on various recommendations for urban planning made by Swisscontact experts, the city government has, among other things, built a cable car between La Paz and El Alto. These and other initiatives reduced CO² emissions by 370,000 tons over the last 14 years.

The project "EcoVecindario" has been supporting local authorities and SMEs in Bolivia for many years to develop market-based and efficient waste management systems. During the current project phase (2017-2018) the focus is on separating and recycling electronic waste and discarded cooking oil, as well as treating wastewater from large public and industrial producers in the three large Bolivian cities of La Paz, Cochabamba, and Santa Cruz. It is also about supporting environmentally-friendly business models, such as

informal carwashes that treat their waste water and reuse it. The project is currently funded by SDC, the Corymbo Foundation and the Foundation for the Third Millennium.

The Climate and Clean Air Coalition is a voluntary partnership of governments, intergovernmental organizations, businesses, scientific institutions and civil society organizations committed to improving air quality and protecting the climate through actions to reduce short-lived climate pollutants. As a member of this Coalition, Swisscontact has endorsed the Talanoa Statement in order to reducing short-lived climate pollutants. We also have been officially accepted as a member of the Heavy-Duty Diesel Vehicles and Engines Initiative – our Clean Air and Climate project “CALAC+” coordinates actions directly with this initiative. The overall objective of CALAC+, implemented by Swisscontact in Chile, Columbia, Mexico and Peru, is to reduce harmful air pollutants in Latin American capitals through the deployment of soot-free engines in urban public transport and off-road machinery to protect human health and mitigate climate change. The project, financed by the Swiss Agency for Development and Cooperation, pursues a vision of healthier and more sustainable cities that seek to reduce emissions of black carbon and other pollutants by encouraging a shift to soot-free, low-carbon city buses and off-road machinery.

Swisscontact is also an active part of the GreenBuzz network in Switzerland – a non-profit organisation that aims to catalyse progress toward the United Nations Sustainable Development Goals by using the power of its network. We use the GreenBuzz network for sharing expertise and learning.

Part III: Measurement of Outcomes

On organisation level:

- In autumn 2018, introduced the Environmental Policy
- Endorsement of the Talanoa Statement of the Climate and Clean Air Coalition in 2018
- In spring 2018, started to introduce yearly staff trainings on the Code of Conduct in all Swisscontact countries. Our Code of Conduct, updated in April 2017, includes principles and guidelines on anti-corruption and abolition of child labor, forced labor and discrimination.
- In 2017 and ongoing, elaborated and tested a new Environmental Assessment Tool
- In 2017, introduced global Communities of Practice in Environment and Gender

Through our projects:

- CO² reduction by 1,310,489 tons in 2017
- CO² reduction by 725,133 tons in 2016
- Recycling of 22,068 tons used materials in 2017
- Recycling of 9,539 tons used materials in 2016
- Net income of women-led SMEs increased by 5,316,912 CHF in 2017
- Net income of women-led SMEs increased by 10,261,379 CHF in 2016
- 32,936 women benefitted from training programs (skills development, vocational training) in 2017
- 23,691 women benefitted from training programs (skills development, vocational training) in 2016