

UN GLOBAL COMPACT: COMMUNICATION ON ENGAGEMENT (COE)



Period covered by this Communication on Engagement:
From 1 November 2022 to 31 October 2024

Part I: Statement of Continued Support by the Executive Director

Zurich, 17 September 2024

Dear Mr. Secretary-General,

I am pleased to confirm that Swisscontact, an independent Swiss foundation for international development and technical cooperation, 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 on 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.

Yours sincerely,



Philippe Schneuwly
CEO and Executive Director

Part II: Description of Actions

Swisscontact signed the UN Global Compact in 2009. As a member 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 of the last two years.

Human Rights (Principles 1-2)

Swisscontact's **Code of Conduct** (CoC) obliges all employees and partners to non-discrimination, equality, and inclusion. Further, Swisscontact has a PSEAH (Prevention of Sexual Exploitation, Abuse and Harassment) policy that defines zero tolerance of inaction for any SEA incidents, as well as the reporting process in cases of such incidents. Swisscontact is committed to a survivor-centred approach. Swisscontact sees PSEAH as a shared responsibility that is undertaken through strong leadership as well as by reducing gender inequalities and power gaps. This is how Swisscontact ensures the application of its **PSEAH policy**:

- **Within the organisation:** Swisscontact has an e-learning course on PSEAH, which is mandatory for all staff. In addition, compliance officers receive specific and more extensive training on the Code of Conduct and PSEAH than other staff.
- **With partners:** Swisscontact supports its partners in the management of SEAH cases whenever requested to do so. If there is reason to believe that a partner organisation has mishandled a complaint, that organisation risks having its funding withdrawn or the partnership terminated.
- **With beneficiaries:** Swisscontact applies a systemic approach, working in most cases as a facilitator and not directly with beneficiaries. However, Swisscontact conducts within its project implementation awareness raising activities for beneficiaries and introduces local hotlines for reporting.

To ensure that our partners respect principles of equality and inclusion, Swisscontact counts further with a Partner **Due Diligence** process as well as a specific Partnership Management Policy. In this process, particular importance is attached to project partners' perceptions of compliance with legislation and sustainability criteria such as "gender equality and social inclusion", modern slavery and human trafficking, and child protection. In addition, a policy for cooperation with the private sector has been established, in which a due diligence has to be carried out for donors of the private sector. It includes the criterion of "gender equality and social inclusion" as an important evaluation topic.

At the workplace, as well as in our work with partners and beneficiaries, no sexual exploitation, abuse, and harassment is tolerated. Swisscontact counts with a clear **speak-up line**, including ombudspersons/compliance officers as PSEAH focal points, and there is additionally the possibility to make complaints at an external provider (Safecall). In addition, Swisscontact has elaborated specific Case Management Guidelines for all kind of CoC violation (including SEAH). Swisscontact takes actions against perpetrator, but also against any staff whether they are the subject of a complaint or not, who carry out retaliatory action against complainants, victims or other witnesses. Staff who are found to do this are subject to disciplinary action, up to and including termination of employment.

Labour (Principles 3-6)

The **Code of Conduct** of Swisscontact obliges its employees and partners to fully comply with the International Labour Standards which includes the principles 3-6. 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.

In addition to this reference, a specific additional chapter address the elimination exploitation of youth and the effective abolition of child labour; Swisscontact is keen to **prevent children / youth abuse and exploitation** while promoting youth participation in the different programs. This applies to all the programs' stakeholders, including Swisscontact employees, partners and subcontractors. The organisation maintains a

high level of protection of both children and youth from any form of abuse and exploitation by either employees or other parties working with Swisscontact. As part of the CoC, Swisscontact requires all employees to identify and address risk factors and prevent abuse, child labour and exploitation of children and youth as well as ensuring total compliance by all employees, partners and subcontractors. Such abuse, child labour and exploitation include physical, emotional and health deprivation that's effects their potential and their dignity, and that is harmful to the physical and mental development.

Most prominent in our work is the **elimination of discrimination in respect of employment and occupation** (principle 6), equal rights and opportunities. This principle is therefore additionally differentiated and addressed in A) our Code of Conduct, B) our gender equality and social inclusion policy and C) illustrated by different project examples.

A) Code of Conduct

The principle of non-discrimination is clearly stated in our Code of Conduct with a specific paragraph: The Swiss Federal Constitution states: "No person may be discriminated against, in particular on grounds of origin, race, gender, age, language, social position, way of life, religious, ideological, or political convictions, or because of a physical, mental or psychological disability." "Employees must not be discriminated against on the basis of their sex, whether directly or indirectly, including on the basis of their marital status, their family situation or, in the case of female employees, of pregnancy. This prohibition applies in particular to hiring, allocation of duties, setting of working conditions, pay, basic and advanced training, promotion and dismissal."

Swisscontact also considers the following behaviours as discriminating:

- putting certain groups (e.g. persons of certain origins, working mothers) at a disadvantage with respect to promotion, training, or bonuses.
- ignoring an individual belonging to a certain group (e.g. cleaning staff)
- xenophobic or racist jokes, statements, and comments
- homosexual or "gay" jokes, statements and comments
- offensive imitation of language or posture

B) Gender equality and social inclusion

Particularly when discriminating against whole groups, offenders usually feel they can hide behind common prejudices, moods, and opinions. We do not want and must not support this. Swisscontact does not tolerate any discrimination neither against groups nor against individuals.

Against this background, Swisscontact promotes **gender equality and the social inclusion** of all people. As an employer, we place particular emphasis on balanced leadership structures with family-friendly work conditions, and we ensure regular training of our staff on the issues of gender equality and social inclusion. Further, we include the gender perspective in all our project activities. Gender equality refers to the equal rights, responsibilities and opportunities of women and men and girls and boys. Social inclusion is defined as a process which leads individuals and groups to taking part in society by benefiting from its opportunities and developing their abilities.

Swisscontact approaches gender equality and social inclusion by **focusing** on:

- Equal access to resources (economic, social, cultural), assets (skills), economic opportunities, and political/public representation.
- Equal agency regarding decision-making power over income, time, workload, and leadership.
- Equal rights to ownership, mobility, income, and political participation.
- Positive impact on gender norms, roles, institutions, social recognition, reduction of violence and well-being.

In addition, by mainstreaming gender equality and social inclusion we aim to increase the employability, income, decision-making, and well-being of vulnerable groups, and to reduce the risk of violence.

Swisscontact **projects** have since many years considered gender and social inclusion issues to various degrees. Swisscontact differentiates between projects that are gender-sensitive, gender-positive, and gender transformative, the minimal standard being gender-sensitive. In addition, the OECD DAC gender marker is

being applied (gender-significant and gender-principal projects). The Thematic Leadership Gender/GESI supports the projects in implementing a gender equality and social inclusion focus, and is working on capitalising on project experiences, promoting exchange of best practices and on elaborating institutional resources that serve as a basis for Swisscontact staff. The following **Policies and Guidelines** have been elaborated since 2020:

- Swisscontact's Policy on Gender Equality and Social Inclusion (GESI)
 - Swisscontact's Gender Guideline for Projects
 - Swisscontact's Roadmap Towards Gender Equality at Institutional Level
 - Swisscontact's approach and guides to Conflict Sensitivity
 - Swisscontact's approach to Social Inclusion
 - Swisscontact's gender communication guideline
 - Swisscontact guideline on gender in skills development projects
 - Swisscontact guideline on implementing a focus of unpaid (care) work in projects
 - E-Learning on gender sensitization
- In addition, clear KPIs on Gender, Equality and Social Inclusion at the corporate and the project level have been defined in our Sustainability Strategy.

C) Project Examples

An example is the “Rural Opportunities” project in Honduras. Its objective is to improve the productivity and increase incomes of vulnerable population groups, which include young men and women working in the tourism, cashew nut, fruits, and dairy sectors. Based on an in-depth analysis, the project team developed a strategy to overcome gender-specific discrepancies. It was determined that women are underrepresented in leadership positions of cooperatives, even though their participation as members is essential for successful cooperation. Therefore, these organisations were given close guidance to foster women’s participation. This has resulted in women now heading committees at cashew nut processing facilities and dairy processors. Additionally, sensitisation campaigns were launched on social media to raise awareness of the different workloads faced by women and men. The introduction of time-saving technologies (such as weeding machines and wheelbarrows) has had a sustainable effect on women’s workloads, and they are now more able to participate in decision-making processes.

An additional example is provided by a vocational education project in Bolivia, financed by SDC and implemented by Swisscontact. Its purpose is to promote economic and social equality. Poor and vulnerable population groups gain access to vocational training and can thereby enhance their employability. Coordinating with the Bolivian Ministry of Education, the project implements initiatives to strengthen public healthcare education centres, among other things. These centres target people with disabilities and provide them with vocational training. The approaches applied at these centres will serve as a national point of reference for vocational education policy. In 2020, professional profiles and curricula were drafted, and equipment was procured for various professional areas. COVID-19 safety guidelines were also drafted. On the whole, the project promotes economic resilience and independence for people with disabilities, thereby facilitating their inclusion in society and their ability to provide a stable living for themselves.

Environment (Principles 7-9)

The Swisscontact Policy on Environmental Responsibility promotes a 3-level approach to environmental responsibility (see figure below).

Promotion of green sectors: Swisscontact fosters competencies and skills for environmental protection, actively seeking solutions for the sustainable use of resources. In various projects “green sectors” such as recycling and sustainable transportation are supported with the corresponding know-how, while environmentally friendly businesses are strengthened. The “Circular Cities” project aims to improve the integrated and inclusive solid waste management system of Santa Cruz de la Sierra in Bolivia and Santiago de Cali in Colombia following a circular economy vision. The project focuses on four areas:

1. Strengthen the governance of the waste sector through improvement of monitoring and control systems and development of appropriate regulations for circular economy.

2. Enhance public engagement through awareness campaigns on waste reduction and separation.
3. Improve the collection of waste and recyclables and creating better working conditions for waste pickers through trainings, access to finance, and formalization of jobs.
4. Strengthen the inclusive waste treatment and trade systems through technical assistance and access to finance.



The main impact objectives are: a) Reduction of environmental pollutants and waste, b) Reduction of the use of virgin raw materials, and c) Improvement of the working and living conditions of waste pickers.

Greening sectors: Swisscontact is strongly committed in greening the sectors we work in and making them more climate resilient. This includes greening e.g. introducing more environmentally friendly and climate-smart agricultural practices, building environmental capacities of tourism organisations, and developing markets for green products and services. The Promoting Green Growth in the Ready-Made Garments Sector Through Skills (PROGRESS) project, for example, envisions contributing to the development of an inclusive, environmentally responsible, and competitive RMG sector in Bangladesh that can offer productive, well paid, secured, and decent job opportunities to workers, mostly women, and at the same time, adapt to the evolving needs of the global market in terms of technological advancement and environmental, social, and governance (ESG) standards.

Do-no-harm: This is the minimum requirement for all our projects.

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. The environmental toolbox helps projects to assess environmental risks and impacts, develop mitigation measures and systematically integrate those into all steps of the project design and implementation, ranging from a basic do-no-harm approach to a strong environmental focus. In addition, key environmental indicators for skills and enterprise projects were developed and will be measured.

Furthermore, Swisscontact’s Strategy on Climate Change highlights the ambition to strengthen the climate relevance of our portfolio, including project with a clear climate focus (adaptation and mitigation) and projects with a strong climate change mainstreaming.

Finally, the Sustainability Strategy includes following environmental KPIs:

- Tonnes of CO2eq emissions avoided or CO2 captured in projects
- Tonnes of own CO2eq emissions reduced
- Number of green jobs created
- % of projects that have a positive impact on biodiversity / put biodiversity at risk

Anti-Corruption (Principle 10)

Anti-corruption is a serious topic for Swisscontact. Therefore, the tone from the top is a key part of any corruption prevention and detection strategy. The development of an anti-corruption culture is an ongoing project and crucial part of the fight against corruption. Against this background, the following **anti-corruption principles** have been established:

Segregation of duties: This is an approach along the value chain where more than one person is required to complete a certain process. In other words, no person has basically the sole authority to complete a financial transaction or sign a material contractual obligation on his own. This concept is standard business practice today and part of the Internal Control System.

Conflict of interest: Employees take sufficient care to separate business from private spheres. They immediately and proactively disclose potential and actual conflicts of interest to their superior or the Country Director. Actual conflict of interest must be resolved in a manner that is objectively verifiable by and understandable to all parties involved.

Integrity: Employees shall conduct all duties with integrity, free from any taint of dishonesty or corruption, including not engaging in any act of favouritism, nepotism, cronyism, or bribery. Swisscontact and its employees must adhere to Swiss and local laws pertaining to competition. The acceptance as well as the handing over of gifts or other advantages such as but not limited to money, loans, rewards, reduced prices or fares, jobs, contracts etc.), from/to (potential) collaborators, public officials, partner organisations, etc. is prohibited.

Transparency: To fight fraud and corruption, transparency must be embraced. Transparency is all about knowing who, why, what, how and how much. It means shedding light on formal and informal rules, plans, processes, and actions. Transparency helps Swisscontact to hold all power into account of the donors good. Seeking and receiving information can act as a safeguard against fraud and corruption, and increase trust in decision makers, donors, and public institutions.

However, whistleblowing is the most effective way to detect corruption. Therefore, Swisscontact has a whistleblowing policy in force and runs different reporting lines for internal and external whistleblowers such as employees, subcontractors, suppliers and beneficiaries. They can report anonymous or namely by phone or by form on an internet platform which is hosted by a professional provider (Safecall). Details and links are on Swisscontact's website available.

Part III: Measurement of Outcomes

On organisation level:

- In 2023 Environment and Climate was systematically further mainstreamed into our PCM (Inclusive Systems Development Approach) by delivering a Swisscontact Climate Change Strategy. An external positioning paper is underway.
- In the same sense, an internal paper on "Systemic Approach to Climate Change" was published, in order to have a guideline for Swisscontact practitioners on how to link both topics, climate change and MSD/ ISD for project designs and implementation. External key reading under development until end 2024.
- In 2023 the internal strategic climate change working group met several times online and during SC events to discuss how to mainstream climate change and systems thinking based on the above-mentioned efforts in all regions and projects and how to deliver an appropriate capacity building offer at Swisscontact to do so.

- As a result, regional CC workshops were launched or are under way and further capacity building products and knowledge products, such as e-learning, on-the job coaching, two pagers on climate change solutions for replicability and upscaling, etc., are under development until end 2024.
- As a second result, quality project backstopping missions were framed along that climate change and ISD lense (e.g. Cambodia, Benin, Senegal, Uganda....) and new opportunities were also approached under this perspective.
- Since 2023 until now, efforts are ongoing to provide projects with a set of tools to measure CO2 and some have reported under our new CC/ environmental indicator.
- Together with other responsible units, new environmental indicators were introduced to report at project and aggregated organisation level (KPI's). Selected indicators (gender-disaggregated) as examples are farmers, MSMEs applying greener practices, having been trained on green skills or avoided and sequestered tons of CO2. See details below:

Through our projects in the period of 2023:

- 130 partners specialized in environmental services
- 110 partners with improved environmental practices and / or services due to SC
- 232 green jobs created/ retained
- 3,202,398 CHF additional net income generated by green businesses and / or by selling green products and services
- 359,642 farmers applying greener practices (14,44% women)
- 130 non-agricultural MSMEs with greener processes/ practices in place (20,77% women)
- 345 smallholders/ farmers accessing climate finance (82,32% women)
- 9 non-agricultural MSMEs accessing climate finance (66,67 women)
- 414,359 smallholders/ farmers accessing environmentally friendly or climate-smart practices, products and services (48,47 women)
- 63,222 smallholders / farmers trained on green skills (82,83% women)
- 922,324 CHF additional net income generated by self-employed graduates with green businesses
- 6,052 people (2,274 women) from skills development interventions found wage or self-employment in green businesses
- 8,958 people (3,611 women) trained on green skills from skills development interventions
- 30,911 of people considering being more resilient to deal with the adverse effects of climate change
- 41,237 tons of GHG equivalents avoided or captured
- 8,197 tons of waste reduced / recycled
- 1,186 households with improved soil quality