



Annual Report  
2009

SINCE 1959 **50** YEARS

  
swisscontact

# Swisscontact Annual Report

Swiss Foundation for Technical Cooperation

2009

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Swisscontact is the organization of the Swiss private sector for development cooperation. It's aim is to promote private economic and social development in selected countries in the South and East through advisory services, training and continuing education. By applying the principle of helping others to help themselves, Swisscontact and its local partners are fighting poverty effectively.



Private sector initiative is the motor of development. Successful partnerships bring that motor to life.

# The Success of our Projects is the Success of our Partners

In 2009, we celebrated Swisscontact's 50 years of existence together with our donors, partners and employees. At various occasions in Switzerland and around the world, we had the pleasure of learning just how highly valued Swisscontact's work truly is. This inspired us to do even better work with our partners and to continue to increase the impact of our projects.

The success of our projects is the success of our partners because they are the ones that initiate and are ultimately responsible for our joint efforts. The oft-cited critique of development work – that there is too little engagement with the local population – simply does not apply. Instead, the way we work allows us to use relatively small budgets to mobilize the underutilized potential of people living in poverty.

These successes are made possible through the loyal financial support of private industry, federal, canton and municipal governments, as well as international organizations. We are pleased with our acquisition achievements, particularly with the public contracts from the European Union (EU). Fundraising results in Switzerland more than surpassed our goals. Last but not least, we would like to extend our heartfelt gratitude to our 480 employees around the world for their professional work as well as to Swisscontact's volunteer Board of Directors for their ongoing support, advice and encouragement.

Peter Grüşchow, President  
Urs Egger, CEO



Peter Grüşchow, Urs Egger

**4** The annual financial statement was prepared according to the rules and regulations for social, charitable non-profit organizations in the Swiss GAAP FER 21. The decisive figure in the income statement according to FER 21 is the "Result After Changes in Funds". Income from donations is allocated directly to funds (effective on the income statement). The restricted and unrestricted income donations listed under funds are then used for project activities according to the defined purpose or the general principle of Swisscontact (effective on the income statement). The use of the funds can occur directly in the year of the allocation or in a following fiscal year.

The cost structure and percentage of funds used for administrative purposes follow the recommendations of the ZEW0 Foundation (a Swiss agency to monitor charitable fundraising), that were approved in 2005. Total project expenses were 2% less than the year before. External factors in project countries had a large influence on ongoing projects and, as such, the total volume spent on projects in the year covered by this report. The single most important factor was political instability in project countries. In particular, the situation in countries such as Honduras and Niger forced Swisscontact to temporarily discontinue programs.

Fundraising income was 9.74% less than in the year before, due to the difficult economic climate. The trend towards project-based grants continues to increase for private as well as institutional donors. The fundraising budget grew slightly in the year of the report by 7.6% due to activities surrounding the fiftieth anniversary of Swisscontact. Fundraising expenses made up 1.66% of the total budget. The ZEW0 benchmark for this figure is 8%.

The total administrative expenses for the headquarters stayed on budget and made up 4.89% of total expenses. The ZEW0 benchmark figure for organizations with international activities is 11%.

The financial crisis continued to be visible in the assets. This fiscal year resulted in a financial success; however, the desired currency fluctuation reserve could not be established.

**Consolidated profit and loss account for the year 2009**

	2009	2008
in KCHF		
<b>Income</b>		
<b>INCOME FROM DONATIONS AND CONTRIBUTIONS</b>		
Donations from public donors	1,496.5	1,789.9
Donations from private donors	1,702.3	3,205.7
Donations from "Freundeskreis"	210.0	114.1
Swiss Government contributions tied to projects	5,419.4	5,350.6
Contributions Swiss Solidarity	3,061.8	2,312.2
Contributions public donors	486.4	53.5
Contributions private donors	1,322.8	602.5
	13,699.2	13,428.5
<b>INCOME FROM PROJECTS</b>		
Swiss Government mandates	13,991.0	13,922.9
International principals	4,088.4	4,507.0
Local principals	14,404.8	14,976.7
Private principals	471.6	791.1
	32,955.8	34,197.7
<b>Total income</b>	<b>46,655.0</b>	<b>47,626.2</b>
<b>Expenditure</b>		
<b>EXPENDITURE ON PROJECTS</b>		
Albania	1,698.5	1,335.5
Bangladesh	8,717.7	7,451.4
Bénin	1,127.9	899.1
Bolivia	2,851.7	2,713.0
Burkina Faso	710.2	535.1
Central America, regional programme	2,333.1	1,370.7
Costa Rica	52.5	44.5
East Africa	633.1	944.3
Ecuador	2,438.2	3,295.1
El Salvador	906.6	1,177.3
Honduras	809.2	1,018.5
Indonesia	7,785.1	7,305.8
Kenya	67.7	81.5
Kosovo	1,045.6	1,086.3
Mali	801.8	758.7
Moldova	0.0	182.4
Nepal	43.4	46.9
Nicaragua	18.0	44.9
Niger	485.2	469.2
Peru	5,540.3	4,467.6
South Africa	1,478.9	1,088.0
Sri Lanka	788.5	898.5
Tanzania	948.1	2,035.8
Uganda	917.1	134.5
Vietnam	209.3	1,248.9
Swiss Research Partnership projects	0.0	123.2
Senior Expert Corps, SEC	634.0	643.9
Other projects	275.4	322.0
Coordination office project countries	1,162.7	964.7
Subsidiaries	435.1	551.6
Project support	1,601.8	1,626.0
	46,517.0	44,864.9
<b>EXPENSES FOR ADMINISTRATION AND MARKETING</b>		
Coordination office project countries	0.0	77.2
Subsidiaries	438.8	488.2
General administration	2,414.4	1,902.6
Information including fundraising	818.1	760.0
	3,671.3	3,228.0
Provisions	-856.2	-369.1
<b>Operating result</b>	<b>-2,677.1</b>	<b>-97.6</b>
Net financial income	395.3	-658.2
Exceptional result	-95.4	0.0
Result before changes in funds	-2,377.2	-755.8
Change in restricted funds	1,843.0	-861.6
Change in free funds	455.2	457.9
Result after changes in funds	-79.0	-1,159.5
Allocation to internally generated designated capital	209.5	1,341.4
<b>Result after allocation internally generated designated capital</b>	<b>130.5</b>	<b>181.9</b>

	2009	2008
in KCHF		
<b>Assets</b>		
<b>CURRENT ASSETS</b>		
Cash in hand and at bank	9,772.8	8,951.5
Advances to projects	3,754.2	3,879.1
Marketable securities	5,469.0	4,710.4
Other receivables	1,650.8	3,050.1
Receivables due from related parties	27.5	21.5
Accrued incomes	544.2	1,316.1
Credits for participation in projects	3,563.9	3,545.1
	24,782.4	25,473.8
<b>NON-CURRENT ASSETS</b>		
Tangible assets	204.3	215.4
Intangible assets	240.4	144.5
	444.7	359.9
<b>Total assets</b>	<b>25,227.1</b>	<b>25,833.7</b>
<b>Liabilities and Equity</b>		
<b>CURRENT LIABILITIES</b>		
Other liabilities	1,604.2	1,739.0
Accrued liabilities	1,360.2	701.1
Advance payments for participation in projects	12,494.5	10,353.5
Provisions	2,589.7	3,479.3
	18,048.6	16,272.9
<b>NON-CURRENT LIABILITIES</b>		
Other non-current liabilities	7.0	11.3
	7.0	11.3
<b>RESTRICTED FUNDS</b>		
Restricted capital funds	551.9	542.6
Restricted income	1,343.4	3,195.7
	1,895.3	3,738.3
<b>EQUITY</b>		
Trust capital	5,120.9	4,939.8
Internally generated designated capital	0.0	209.5
Unrestricted funds and reserves	24.8	480.0
Year end result	130.5	181.9
	5,276.2	5,811.2
<b>Total liabilities and equity</b>	<b>25,227.1</b>	<b>25,833.7</b>

## To the Board of Foundation of Swisscontact, Swiss Foundation for Technical Development Cooperation

We have audited the consolidated financial statements (balance sheet, income statements and notes) of Swisscontact for the year ended December 31, 2009, from which the summarized financial statements were derived, in accordance with the Swiss auditing standards. In our report dated March 31, 2010 we expressed an unqualified opinion on the consolidated financial statements from which the summarized financial statements were derived.

In our opinion, the accompanying summarized consolidated financial statements are consistent, in all material respects, with the financial statements from which they were derived.

For a better understanding of the Swisscontact's financial position and the results of its operations for the period and of the scope of our audit, the summarized consolidated financial statements should be read in conjunction with the consolidated financial statements from which the summarized financial statements were derived and our audit report thereon.

We further confirm that the relevant provisions of the foundation ZEWO have been observed.

PricewaterhouseCoopers AG

Arno Frieser  
Audit Expert  
Auditor in charge

Thomas Wallmer  
Audit Expert

Zurich, March 31, 2010

## Appendix to the annual report

### Change in funds

	Opening balance	Income	Allocation	Expenditure	Int. Transfer	Closing balance
<b>RESTRICTED CAPITAL FUNDS</b>						
Social projects	542.6	2.9	61.2	-54.8	0.0	551.9
Total	542.6	2.9	61.2	-54.8	0.0	551.9
<b>RESTRICTED INCOME</b>						
Soms	770.5	0.0	0.0	-52.8	0.0	717.7
Restricted donations	2,425.2	0.0	2,564.1	-4,363.6	0.0	625.7
Total	3,195.7	0.0	2,564.1	-4,416.4	0.0	1,343.4
<b>UNRESTRICTED FUNDS</b>						
	480.0	0.0	860.7	-1,315.9	0.0	24.8

This financial report of the fiscal year 2009 is a condensed version. The complete annual report with detailed financial statements in accordance with SWISS GAAP FER 21 can be ordered in German from the Head Office of Swisscontact or downloaded from [www.swisscontact.org](http://www.swisscontact.org).



## 6 Africa

Several thousand people saw their lives improved in 2009 thanks to Swisscontact projects. They have undertaken vocational training, applied for and received a microloan for their small businesses or have become more profitable as a result of consulting services.

### Projects Africa

Project	Since*	Expenses 2009
Financing		CHF

#### East Africa

##### KENYA

SME-Promotion/Microfinance		
Swisscontact/SDC	2009	633,085

##### TANZANIA

Rural Development		
SDC	2006	948,060

##### UGANDA

SME-Promotion/Microfinance		
Swisscontact/SDC	2009	437,959
Vocational Education for Youths in SMEs		
Worldbank	2007	107,635
Skills Development for Youths		
Medicor Foundation/Gebauer Foundation	2009	409,202

##### SOUTH AFRICA

SME-Promotion		
Swisscontact/SECO	2006	714,945
Community Development		
ADA	2006	176,434
Local Economic Development Network of Africa		
SDC	2008	310,149
Energy Efficient Brick Production		
SDC	2009	129,878
Training in Financial Management		
Swisscontact/Credit Suisse	2008	147,512

Project	Since*	Expenses 2009
Financing		CHF

#### West Africa

##### BENIN

Vocational Education for Youths		
Swisscontact/SDC	2009	534,999
Vocational Education for Young Artisans		
Bureau d'Appui aux Artisans	2009	68,903
Job Insertion for Young Graduates of Vocational Educations		
AFD/Swisscontact	2009	115,183
Reintegration of Disadvantaged Youths		
UNICEF	2008	342,556
Vocational Training for Plumbers		
SBS	2008	14,070
Opportunities for Street Children		
EU/Swisscontact	2008	91,135

##### BURKINA FASO

Vocational Training for Plumbers		
Swisscontact/Louis Leitz Foundation	2008	147,597
Professional Training for Youths and Local Economic Development		
Swisscontact/SDC/LED	2009	530,305
Local Economic Development in Gaoua		
Swisscontact/Jacobs Foundation	2009	32,259

##### MALI

Vocational Training for Youths		
SDC	2008	801,765

##### NIGER

Training for Unemployed Youths		
Swisscontact/SDC/LED	2009	485,233

\*Start of current project phase

# Organic products and professional skills in Uganda

In order for smallholder farmers to earn sufficient income, their products must meet market needs get to the customer efficiently. In Central Uganda, Swisscontact and local partners work together to give small farmers access to new markets. In 2009 3,000 farmers took courses to cultivate and process in-demand organic products such as pineapple, apples, bananas, coffee or honey. A new project to provide young people

In the fertile country of Uganda, agriculture is a realistic way out of poverty.

with short, hands-on vocational training programs has successfully begun. 500 youths from urban and rural areas have learnt the basics of fish farming, brick-making, hair styling, plumbing and information technology – all skills that give them the opportunity to create their own small business.

## Project Reports ●

### Mali

In Mali, Swisscontact contributed to the expansion of dual vocational training, a form of training that takes part in the classroom and at a company. In 2009, four additional locations were added and almost 3,000 youths were actively engaged in training programs. Since 2009, Swisscontact has provided consulting services to 15 young businesspeople who have founded small businesses in the areas of cattle breeding, fish farming, beekeeping and electrical installation.

### Burkina Faso

The dual training system that Swisscontact helped to implement now improves the livelihoods of thousands of newly trained youths each year and, since 2009, has included the profession of plumbing. Over 500 young people also took part in new hands-on training courses in soap production, cocoa butter production and fabric-dyeing – three fields that are in demand in this West African country.

### Niger

Professional job and information centers in the capital of Niamey have become important points of contact for young people looking for work. Swisscontact has worked with these centers to develop the quality and scope of their advising services. In 2009, 340 youths got help preparing job applications or finding information about vocational training programs and employment opportunities. In four of the vocational training centers supported by Swisscontact in the regions of Niamey, Dosso and Tilabéri, nearly 200 youths received training in vegetable cultivation, cooking/food services, motorcycle/automotive maintenance and repair, and agriculture.

### Benin

Helping trainees enter the workforce is the goal of a new project on behalf of the French development agency Agence Française de Développement. Youths have received information on how to find a job or become self-employed since 2009. The UNICEF-financed project has made it possible for 1,600 homeless youths to gain access to vocational training. A project to build and expand the dual vocational training system was created with the goal of helping young people gain pro-

fessional qualifications and 1,000 trainers have been trained in the fields of woodworking, steelwork and car maintenance and repair.

### Tanzania

In collaboration with local private consultants, Swisscontact provided business advice to small farmers and rural craftspeople. The radio program “Inuka” now reaches farmers in the most remote areas and provides important information about production methods as well as sales and marketing opportunities. In 2009, 25,000 households profited from activities in the cotton, sunflower, dairy and poultry sectors.

### Kenya

The number of savings and credit groups in Kenya supported by Swisscontact increased in 2009 by 51 to 96. From their total savings of roughly USD \$40,000, members provided credit of over USD \$250,000 and 6,500 people benefited from improved access to financial services. Critical to the development of savings and credit cooperatives (SACCOs) was the “SACCO Start-Up Kit”, an information package created with the Ministry for Cooperatives containing critical legal and business information. Every new SACCO receives one at registration. Microleasing also proved to be a popular service: in 2009, production animals, water pumps and water tanks valued USD \$2 million were leased at favorable prices.

### South Africa

In September, a project on behalf of the Swiss State Secretariat for Economic Affairs (SECO) to support the SME sector was completed. Small companies in the textile, construction, agriculture and aquaculture sectors improved their productivity and the salaries of roughly 10,000 employees of the over 400 SMEs supported rose by 12%. Credit Suisse financed a project to give 1,000 small businesses access to business advising services. In order to improve the mutual understanding of the residents of the poorest townships and their local authorities, theater groups are being developed that mime the concerns of the citizens and the potential reactions of the local government.



## 8 Latin America

In 2009 in Latin America, Swisscontact has continued to stand for environmentally sustainable and pro-poor economic development. Vocational training, microfinance and eco-tourism are additional focal points of the program.

### Projects Latin America

Project	Since*	Expenses 2009
Financing		CHF

#### Central America

##### COSTA RICA

Promotion of Biogas		
Swisscontact/SDC	2009	52,472

##### EL SALVADOR

Vocational Training		
Swisscontact/SDC	2009	646,750
Analysis and Technical Consulting of SMEs		
EU	2007	259,824

##### GUATEMALA

PET-Recycling		
Swisscontact	2008	24,770

##### HONDURAS

SME-Promotion		
SDC	2006	154,648
Promotion of Tourism Companies		
Interamerican Development Bank	2007	342,232
Development of the Bee-keeping Sector in Honduras		
Swisscontact/Argidius Foundation	2008	289,094

##### HONDURAS/NICARAGUA

SME-Promotion		
SDC	2008	2,187,108
Strengthening Small Bee-keeping Companies		
Swisscontact/FOMIN	2009	112,183

##### NICARAGUA

Modernization of Vocational Training Centers		
Kreditanstalt für Wiederaufbau	2005	18,046

##### PANAMA

PET-Recycling		
Swisscontact	2008	36,910

Project	Since*	Expenses 2009
Financing		CHF

#### South America

##### BOLIVIA

Sustainable Tourism		
Swisscontact/SDC	2008	134,217
SME-Promotion		
SDC	2005	1,213,683
Urban Ecology		
Swisscontact/SDC	2009	440,527
Clean Air		
SDC	2006	670,326
Market Access for Rural Small Producers		
SDC	2007	268,070
Strengthening of Suppliers		
IAF	2008	101,107

##### ECUADOR

Institutional Development of Village Banking		
Swisscontact/SDC	2009	791,875
Financial Services in Rural Areas		
FOMIN	2006	338,455
Promotion of Agricultural SMEs		
CRM Corporación de Riego de Manabí	2009	581,179
Institutional Promotion of Cooperative Banks		
CFN Corporación Financiera Nacional	2009	58,139
Financial Services in Rural Areas		
SDC	2006	755,522
Strengthening of Suppliers		
CAF Corporación Andina de Fomento	2008	65,202
Strengthening of Suppliers		
Interamerican Development Bank	2008	16,328

##### PERU

Training Vouchers for SMEs		
EU	2005	30,099
Promotion of the Competitiveness of SMEs		
Government of Peru	2005	820,013
Clean Air		
SDC	2007	807,010



Project	Since*	Expenses 2009
Financing CHF		
Strengthening Credit and Savings Cooperatives		
Microfinance Initiative Liechtenstein	2006	274,276
School Integration of Working Children		
Swisscontact/Medicor Foundation/Optimus Foundation	2008	428,531
Promotion of Tourism (Ancash Region)		
Antamina	2008	311,804
SME-Promotion		
Swisscontact/SDC	2009	396,416
Promotion of Tourism (Puno Region)		
FondoEmpleo	2007	227,278
Energy Efficiency in Brick Producing SMEs		
SDC	2009	77,353
Strengthening Trout Farmers		
Corporación Andina de Fomento	2009	71,812
Rural Development		
FMA	2007	107,463

Project	Since*	Expenses 2009
Financing CHF		
Eco-balance of Biofuels		
SDC	2008	75,996
Strengthening Local Suppliers		
IFC/Yanacocha/FondoEmpleo	2006	73,261
Development of Tourism in the Nazca-Cusco Corridor		
Swisscontact/FOMIN	2008	212,329
Technical Consulting and Monitoring of Small Projects		
Antamina	2008	499,970
Strengthening Local Suppliers		
IFC/PLNG	2008	329,403
Hospital Waste Management Peru		
Swisscontact/Medicor Foundation	2009	197,174
Sustainable Tourism		
SECO	2006	630,451
Promotion of the Competitiveness of SMEs		
FondoEmpleo	2009	69,260

\*Start current project phase

## Air to breathe – for people and companies in Peru

Swisscontact supports the Peruvian Government and private sector in developing and implementing comprehensive air quality measures on behalf of the Swiss Agency for Development and Cooperation (SDC). Recommendations from Swisscontact and local partners have been incorporated into new laws. In 2009, the introduction of a new bus system in the city of Arequipa that will reduce CO<sub>2</sub> output of public

Consulting with private and governmental organizations on improving air quality plays a central part in Swisscontact's work in Peru alongside additional activities focused on reducing poverty.

transportation by 70% made major strides. In Carabayllo and San Cosme, 150 people were supported by Swisscontact in their search for regular employment and the majority now runs small local shops. The children of these families can now concentrate fully on school instead of having to contribute to the family income.

## Project Reports ●

### Central America

Vocational training programs continue to improve the employment options of young Salvadorians. In 2009, 2,100 people benefited from the programs. Working groups initiated by Swisscontact to assess local employment needs now cover the entire country and are supervised by the national vocational training agency. This successful approach will be expanded to Guatemala. The PET-recycling project started by Swisscontact in Guatemala and Panama will now be handed over as planned to national institutions. During the introductory phase, Swisscontact and their partners have reached out to roughly 25,000 school children and teachers. In Honduras, 1,000 small cacao farmers doubled their income after switching to more valuable species and improving storage, profiting from consulting services as part of the SME project on behalf of SDC. 4,500 vegetable farmers can now easily and quickly access to remote technical advising as well as information about weather and prices.

### Ecuador

2,000 families living in poverty improved their prospects in 2009 by receiving a microloan from a village bank. Swisscontact helped savings and credit cooperatives reach more individuals in rural areas and trained 61 potential employees with expertise in areas such as auditing and credit. Dozens of small producers in the coastal province of Manabí expanded production and sales, entered new markets and increased income.

### Bolivia

60 neighborhoods in Bolivia's four major cities began new initiatives to improve waste management and disposal and the families of hundreds of trash collectors now have a regular income. Their work improves the safety and quality of life of roughly 200,000 people. In the Andes highlands, Swisscontact assisted in developing and marketing new tourist regions and in creating attractions and services for tourists. 21 new jobs were created for local employees and roughly 100 families have increased their incomes as a result.



## 10 Asia

Swisscontact improved access for smallholder farmers and craftspeople to information, markets and financing. From remote islands to urban centers, thousands of people increased their incomes in 2009.

### Projects Asia

Project	Since*	Expenses 2009
Financing		CHF

#### BANGLADESH

SME-Promotion		
SDC/DFID/CIDA/Dutch Embassy	2003	7,968,988
Social Projects in Poor Neighborhoods of Dhaka		
Charles Vögele Group	2005	64,678
Qualification of Trainers and Suppliers (Social Standard Compliance)		
GTZ	2008	364,102
Vocational Education for Youths		
Swisscontact/SDC	2009	319,943

#### INDONESIA

SME-Promotion		
Swisscontact/SDC	2009	240,000
SME-Promotion in the Textile Sector in the Jakarta Region		
Swisscontact/SDC	2007	100,010
Regional Economic Development		
GTZ	2005	205,176
Local Economic Development (Flores and Alor)		
Swisscontact/SDC/Cordaid	2005	527,592
Regional Tourism Development (West- and East-Flores)		
SECO	2009	358,888
SME Recovery in Sumatra		
SWS/SECO/Chevron Global Fund	2005	3,052,685
Mobile Training (Aceh)		
Swisscontact/SWS Swiss Solidarity	2005	194,662
Income Generation through Sustainable Agriculture		
Swisscontact/SWS Swiss Solidarity	2009	310,201

Project	Since*	Expenses 2009
Financing		CHF

Rural Economic Development in Aceh Tamiang		
Cordaid	2008	192,264
Disaster Risk Analysis for Bengkulu		
UNDP	2009	31,223
Building up Aceh Polytechnical School		
USAID	2007	2,094,335
Climate Survey to Support Young Entrepreneurs		
ILO	2009	37,203

#### NEPAL

Supporting the Training Institute for Technical Instruction		
Swisscontact	2008	43,433

#### SRI LANKA

Local Economic and Social Development		
Swisscontact/Swiss Solidarity	2007	457,624
Development and Peace		
SDC	2008	260,058
Improving Pottery Kilns		
Infrassure	2008	60,291

#### VIETNAM

Clean Air		
SDC	2004	209,299

\*Start current project phase

# Market development for small entrepreneurs in Bangladesh

SME experts from Katalyst, the project that Swisscontact undertook on behalf of a group of donors in Bangladesh, continue to develop new opportunities to improve market conditions for small businesses and farmers. In addition to the farmer helpline "Jigyasha 7676", Katalyst's additional activities were particularly successful in 2009 including a combined offering of seeds, advising, financing and purchase guarantees that allowed 830 corn farmers to increase their yield by 17% and improve their income. The furniture industry also bene-

In Bangladesh, Swisscontact improved market access for poor family farms and small businesses, and helped develop vocational training, social standards and access to healthcare.

fit: a local furniture producer was able to employ an additional 400 workers as the result of a contract with an Indian buyer. Other Swisscontact projects in Bangladesh helped lay the foundation for 39 textile companies to comply with social standards, gave unemployed people the opportunity to build up professional skills and to have improved access to healthcare in the capital city Dhaka.

## Project Reports ●

### Indonesia

In 2009, projects to rebuild the economy in Aceh after the tsunami came to a close. Five years after the natural disaster, roughly 1,500 SMEs and microenterprises were able to get back into business or expand their businesses thanks to consulting services and financial support. Through these efforts, nearly 6,000 jobs were saved and 2,500 new jobs were created. In Jakarta, Swisscontact helped 100 small textile plants with 300 employees create a cooperative. In order to fulfill their new contracts, the cooperative will create at least 210 new jobs in the coming year. On the island of Nias, 300 cacao farmers organized themselves into groups and improved their skills in modern cultivation techniques. Through the legacies of poverty and tradition, people in Nias have subsisted almost entirely on rice. Women on the island have now learned to cultivate new types of vegetables in order to improve the diets of their families and generate income. 22 members of the community were also trained to be trainers. A higher income from cacao production in this region is as important as a more diversified diet.

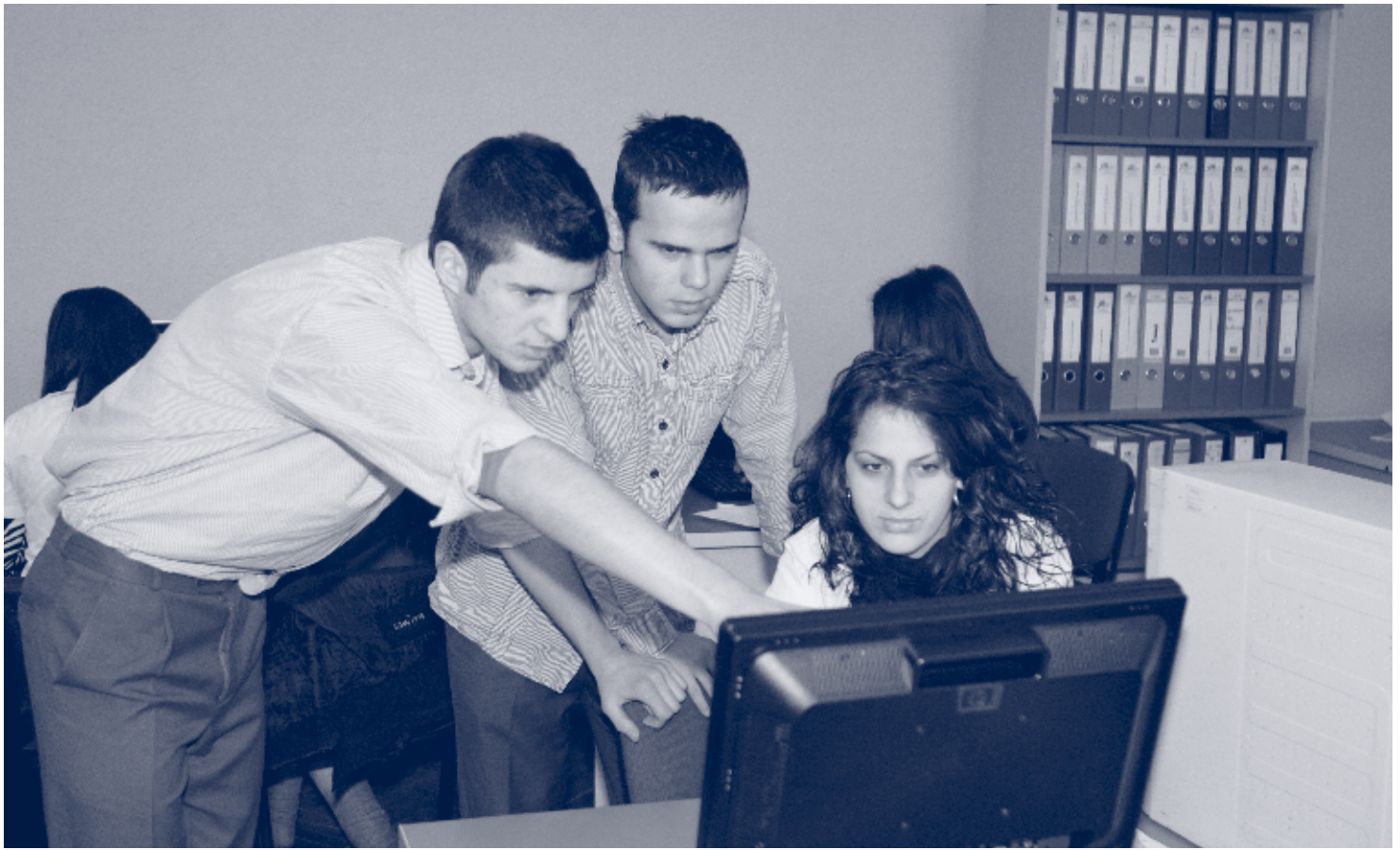
### Sri Lanka

In Sri Lanka, Swisscontact helps small businesses and families to increase their income. In the tsunami-affected areas of the coastal regions, nearly 1,000 families and small businesses benefited from these programs. More than 250 of the small businesses were able to obtain a small loan to expand their businesses. In the districts of Batticaloa and Ampara, Swisscontact was engaged in helping different groups live together peacefully, in part by creating conditions for youths to find gainful employment. In August, the fourth advising cycle was ended and 75% of the over 200 participants had found employment. Additionally, the pottery industry in northwe-

stern Sri Lanka received support from Swisscontact. The potters learned how to build energy-efficient kilns, reducing their production costs by 50%. The technical and entrepreneurial advice had an even more important effect: today the potters, who occupy a very low position in the traditional social order of Sri Lanka, bring their products to market with pride and self-confidence.

### Vietnam

The air quality improvement project undertaken on behalf of SDC in Hanoi and the neighboring area was completed. In spite of difficult political conditions, the results are remarkable: in the Vietnamese capital, blanket measurements of air quality were taken for the first time. The data are important for local agencies that used it to develop a comprehensive plan for reducing air pollution. The agencies received technical support from Swisscontact in these efforts. Additionally, a draft law for emissions controls for mopeds is being developed. The seemingly harmless two-wheelers are one of the biggest air polluters in the capital. In pilot projects, mechanics were trained to carry out emissions tests and adjustments to motors in mopeds and trucks. An additional pilot project reduced dust at construction sites. Information campaigns raised awareness in the public, the media and also the government. There is still much to do to improve air quality in the long term, but the air quality project has laid a solid foundation. With this result, Swisscontact's engagement in Vietnam has come to an end.



## 12 Eastern Europe

In Eastern Europe, Swisscontact continued projects preparing youths for the working world through modern vocational training systems. People with the most up-to-date technical expertise and the knowledge of how to create a small business significantly improve their chances of being able to make a living.

### Projects Eastern Europe

Project	Since*	Expenses 2009
Financing		CHF

#### ALBANIA

Development and Reform of Vocational Training		
SDC	2009	1,613,764

#### KOSOVO

Promotion and Modernization of Vocational Training		
SDC	2007	1,045,644

### Projects Eastern Europe

Project	Since*	Expenses 2009
Financing		CHF

#### UKRAINE\*\*

Training in Financial Management		
Credit Suisse	2008	47,042

\*Start current project phase  
 \*\*Implemented by Senior Expert Corps

## Prospects for youths in Kosovo

In the youngest country in Europe with the youngest population on the continent (50% are under 25 years of age), Swisscontact is involved in improving vocational training. Qualified employees make the Kosovar economy more competitive, creating new opportunities on the European market. Practical training and the introduction of innovative learning methods stand at the center of the initiative. Swisscontact and their local partners support 13 vocational training centers with the development of their teaching techniques and curricula. In close collaboration with employers, the centers make sure that

Receiving practical vocational training similar to that in other European countries is a first step for the youth of Kosovo to find employment. Swisscontact assists trainers with subject-specific expertise.

the youths learn what is truly needed in the working world. Internships in craft and service businesses also help ensure this result. E-learning and six supervised practice firms play an important role in the training of people for positions in business or administration. 2,700 trainees can prove themselves in the day-to-day business of a simulated company. In 2009, roughly 4,800 young Kosovars benefited from improved vocational training. The youth of Kosovo know what they have to do to improve their prospects. And they're working hard on it.

## Project Reports ●

### Albania

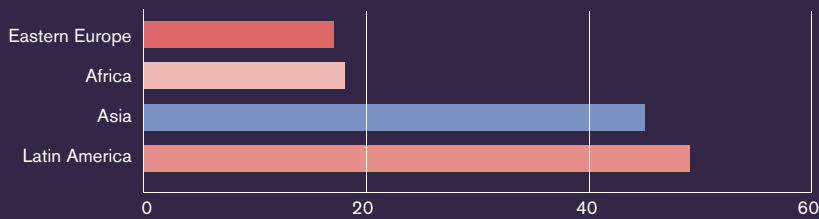
Swisscontact supports, on behalf of SDC, the comprehensive reform of vocational training in Albania. Professional skills are also the key to gainful employment for young Albanians. For individual companies, as well as for the country as a whole, the level of professional expertise in the workforce is a decisive factor in productivity and competitiveness. Access to vocational training in fields that are actually in demand means that the youths will have a higher chance of getting a job or becoming self-employed. This is Swisscontact's contribution.

While individual training centers and specific professional fields were supported in the first phase of the project, today the development of the entire vocational training system is the primary focus. Swisscontact works on this initiative with the Ministries of Education and Employment. These agencies are working on decentralizing vocational training from a geographic and operational perspective. An implementation model for this plan was developed by Swisscontact and adopted by the administration. The vocational training center in Durres will be transformed into a model school for the modernization of training programs in other schools and in additional occupations.

Close collaboration with the private sector is central to the plan. Employers put their needs and expectations forward so that the training actually includes the necessary competencies. In 2009, 300 youths were completing vocational training in the heating, plumbing and ventilation sectors. The school boards were motivated to create their own projects to improve the training and to submit them to the relevant government agencies. In 2009, nearly half of the 36 submitted applications were approved. As a result, there are now new websites, business plans and media centers in various schools. One important component of the project is to incorporate ethnic minorities, handicapped individuals, orphans and school dropouts in the vocational training. Even in the difficult year of 2009, vocational training in Albania was making forward strides and improving in quality. This helped increase the number of young people with competencies and skills, which will ultimately support economic development in Albania.

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## ASSIGNMENTS BY CONTINENT



## ASSIGNMENTS BY COUNTRY

**EASTERN EUROPE** Albania (2), Kosovo (3), Macedonia (1), Ukraine (11)  
**AFRICA** Benin (5), Burkina Faso (4), Kenya (1), Mali (2), South Africa (1), Uganda (5)  
**ASIA** Indonesia (3), Mongolia (3), Nepal (43)  
**LATIN AMERICA** Bolivia (5), Costa Rica (1), Ecuador (10), El Salvador (10), Guatemala (1), Honduras (1), Panama (1), Peru (10)

## 14 Senior Expert Corps

### Dynamic retirees make an impact

The retired experts of the Senior Expert Corps (SEC) supplement the activities of Swisscontact by sharing their decades-long professional experience and knowledge with small businesses as volunteers. In often strenuous assignments of up to two months, they advise SMEs in developing and formerly Communist countries in all aspects of running a business, from production methods and processes to marketing. Sometimes it is the simplest tips that have the largest impact: more light in the workshop, more responsibility for the employees or better calibration of the machines. Because the companies themselves cover part of the cost, they are even more motivated to actually implement the recommendations. Many companies have already seen increases in profits after this advising process – and have been able to create new jobs. In this way, the Senior Experts do their part in helping others to help themselves.

### Connections created between SMEs and SEC

In 2009, the members of the SEC undertook 129 assignments in 21 countries. They supported bakeries and an electricity power plant, a labor and delivery unit and countless hotels, to name just a few examples. In countries as diverse as Ukraine, Mali, Costa Rica and Mongolia, they quickly found their bearings and worked with their partners to develop new processes and opportunities for the business at hand. One third of all the assignments in the past year were in Nepal. This success was primarily due to the country representative Neeraj Singhal. He tirelessly did outreach for the SEC and was able to successfully match the demand for expertise with Swiss experts who wanted to share their knowledge and experience.

### Consulting by Senior Expert Corps

Project	Since*	Expenses 2009
Financing		CHF

#### DEVELOPMENT COUNTRIES

Promotion of SMEs		
Swisscontact/SDC	2009	553,216


#### EASTERN EUROPE

Promotion of SMEs		
SOMS-Fund	2009	80,760

\*Start of current project phase

### 129 Assignments by Sector

Sectors	Assignments 2009
Food processing	38
Tourism and hotel sector	38
Management	13
Education/media	9
Machine and metal construction	6
Energy, waste management, chemistry	6
Agriculture	4
Construction/minerals	4
Wood processing	4
Health	3
Electronics, electrical engineering	2
Textile, Paper	2



**“Let us choose to unite the powers of markets with the authority of universal ideals. Let us choose to reconcile the creative forces of private entrepreneurship with the needs of the disadvantaged and the requirements of the future generations.”**

Kofi Annan

**Your donation makes a difference!** Thanks to you, Swisscontact can support poor people who are economically active by providing consulting, further training and contacts. Together we can enable them to overcome poverty by their own efforts.

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