

Feature

Swiss Agency Makes a Difference in Latin America

By [Andrew Wainer](#) on 14 July 2009



Luzi Hugentobler, Swisscontact's director of Central American operations, checks an oven used for cooking rosquillas, a bakery product made of maize and cheese, in Danli, Honduras. The new oven's separate feeding system and insulation helps to save more than 50 percent of wood. Photo by: Luzi Hugentobler

[Swisscontact](#) may not be as large or well-known as its peers. But its 43-year history in Latin America, focus on a handful of key development sectors and corps of veteran experts make it a sought-after development adviser and facilitator among local enterprises and multilateral funding organizations in the region.

Founded in 1959, Swisscontact relies on more than 400 international and local experts working in 21 nations in Asia, Africa, Eastern Europe and Latin America to advance its aim of helping the poor through private initiative.

As an implementing organization for the Swiss government, Swisscontact has traditionally received more than half of its budget from Swiss government development funds and private fundraising inside Switzerland. But current global economic conditions have prompted the group to expand beyond its traditional funding base. Swisscontact

recently established an office in Germany and is now authorized to participate in calls for tenders by the European Union. The Zurich-based organization has also set up an office in New York City and is exploring potential alliances with U.S. foundations.

Luzi Hugentobler is part of a small core of Swiss and German veteran development professionals that the agency relies on for expertise in the region. Since first being assigned to Latin America in 1986, Hugentobler has alternated between the organization's Central American operations and Zurich headquarters. Currently based in Costa Rica, he leads Swisscontact's Central American programs.

Devex spoke with Hugentobler about Swisscontact's work in Latin America in general and Central America in particular, its local and international partners, and trends in staffing its Latin American programs.

What are the latest trends in Swisscontact's work in Latin America?

[We have] four principal fields. The first is vocational and educational training, mainly with national training institutions.

The second one is small-scale industry promotion with a specific value-chain approach. In Central America, we are talking about the tourist sector and agriculture.

The third [sector] is financial services. This is for saving and credit schemes. The other component in financial services is making better use of remittances. Most remittances go into luxury goods and not toward children's education.

The last focus is projects located within the environment scheme. We are active in clean air projects in Latin America. Vehicle emissions but also industrial emissions. We are working at the government level on the regulation and laws. But we are also doing practical work at the operational level, working on renewable energy and recycling and biomass projects. In Costa Rica, biomass projects are a priority.

Where do you work in Latin America?

We are active in Bolivia, Peru, Ecuador, and in Central America. Central America includes Panama, Costa Rica, Honduras, El Salvador, Guatemala and Nicaragua.

Normally, [Swiss government] funding is available in the poorest countries. Since we are implementing projects for the Swiss government in Central America, there are only two countries that qualify for government funding - Nicaragua and Honduras.

In Ecuador, we are phasing out in two to three years, then we will not be able to get [Swiss] government funding.

If Swiss government funding is reduced for certain countries, how do you work with international institutions for financing?

For instance, there are loans from the Inter-American Development Bank to a ministry ... the ministry tenders the projects, and we participate in these tenders.

These projects are co-financed. The IDB normally requires a 30 percent co-finance from our side and 70 percent on their side.

Who do you work with in Latin America?

[In a first step,] we look for several [potential] partners. But we advise them that by the end, we might just go on with one or two.

During our work, there is a selection process. You can't judge the quality of national partners based on papers. Normally, the reality is that you can judge them on the daily work and the operational part.

We start with three to five partners, and after one or two years, we go on with one or two partners. We are always advising [about] this process at the beginning.

What's an example of a partner you work with in Latin America?

In the vocational education and training sector, the main partners are usually the national training institutes. Normally, they have quite a bit of money. We need them because in the training, the most important thing is that students get a certificate that is recognized by the state.

On the operational part, giving classes and whatnot there would be five to six private training institutes. But the certificate needs to come from the national institute. We advise the national institute on curriculum development, and sometimes we try to introduce some new tools such as a training voucher system.

What is lacking in these countries is qualified labor. Everybody is aiming at a university career but not aiming to be a plumber. At the end, you have a lot of academic staff. There are no apprenticeship schemes here. It's much easier to find a lawyer than a plumber.

Who works in your Latin American offices?

We have about 50 staff in Central America and about 80 in South America. In Central America, we have two international experts - one based in El Salvador, and I'm based in Costa Rica.

All the country directors in Central America are local ones. There are always less international experts; there are always more local staff in executive functions.

When I started in Costa Rica in 1986, we were five international experts in one country. Now we are two or three in one region made up of seven countries. There are eight total international staff in Latin America. In Central America, we are looking for an additional expert.

How does Swisscontact staff its Latin American operations?

Most of these jobs are on an executive level, so normally these jobs are covered with internal job rotation within Swisscontact. This is permanent staff. Most of the regional directors have been working for Swisscontact for 10 years.

There is another group of international experts coming out of the international tenders. If you are applying for the tenders you have to present the [CVs](#) of the local and international staff. These staff [can work with us on a project basis] between six months and three years. We recruit these staff through our Web site.

In Latin America, we have three to four internship positions available - normally coming from Switzerland - right from the university and lasting three to six months. Normally, these are not published.

What about local staff?

For local staff, we just place advertisements in the local newspaper. But it depends on the project and the sector as well. For instance, in the agriculture sector, we need [someone who is] bilingual, a university degree, sometimes an MBA. This is for country or regional directors.

In the case of Nicaragua or Honduras, they are coming out of Zamorano University, which has a top-rated agricultural [program]. We face a problem finding people who really fluently speak and write Spanish and English because those people find better-paying jobs in industry. In Costa Rica, they are joining the big American companies. They are not with us.

We can't guarantee job security because the duration of employment or of a contract depends on the project contract. Those people are financed by the project. So if the project ends, the staff doesn't have a job. Sometimes they come up with another project, but we can't guarantee beyond the project duration.



[Andrew Wainer](#)

Andrew Wainer is a Devex freelancer currently based in Los Angeles, California. He has worked as a reporter and social researcher in Latin American and the United States. Andrew's research and journalism has appeared in the Los Angeles Times, Wall Street Journal and Mexico City News, among other publications. He holds a master's in Latin American studies from UCLA and is fluent in Spanish and proficient in Portuguese.