Swisscontact’s work focuses on inclusive growth, driven by an innovative private sector that creates employment and income.

**Skills Development**
Productive employment and earning an income through market-oriented vocational training and improved labour market access.

**Enterprise Promotion**
Strengthening productivity and competitiveness of small and medium-sized enterprises through sustainable value chain interventions, improved market access and local economic development.

**Inclusive Finance**
Empowering entrepreneurial people by improving their access to financial products, services and financial literacy trainings.

**Climate-Smart Economy**
Creating green jobs through efficient use of natural resources and clean production.

In this way, Swisscontact creates the conditions for a socially and ecologically responsible private sector, contributing to poverty reduction.
Swisscontact looks back on another successful year, marked by continued project growth and the launch of the SECO-financed Swiss Import Promotion Programme (SIPPO) — a major milestone for us. We view the SIPPO programme as the logical continuation of Swisscontact’s activities in building competitiveness and supporting sustainable value chains.

We also concluded large-scale multi-year projects in South Africa and Bolivia, handing over responsibility for their continuation to local partners. Our aim is always to build capacities of local systems and stakeholders, because we firmly believe that development cooperation should never make itself indispensable. Internally, Swisscontact continued its investment in virtual collaboration and enhanced knowledge transfer. This allows us to capitalise on innovations and technical solutions for our projects across many different regions. A new results measurement guideline helps our project managers to compile high-quality reports.

In May 2017, Wilhelm B. Jaggi, Marc Furrer, and National Council Member Elisabeth Schneider-Schneiter stepped down from the Board of Trustees, with Paul Hälg and Rudolf Schmid elected as new board members. We would like to welcome them both and are looking forward to working with them. We also would like to sincerely thank the members who stepped down for their commitment.

This printed annual report is an abridged version. On every page you will find a link and a QR code that will take you to additional information online at www.swisscontact.org/report2017. We would like to direct your attention to two case studies from our portfolio of over 100 projects, which we have prepared on digital media for the annual report: In Mozambique, Swisscontact is assisting farmers to improve their productivity and product quality in order to increase their earnings. In Nepal, Swisscontact is training construction workers and thereby moving the reconstruction process forward following the 2015 earthquake.

Heinrich M. Lanz Samuel Bon
President CEO and Executive Director

Interview with Heinrich M. Lanz and Samuel Bon in the annual report online
www.swisscontact.org/report2017/interview

Heinrich M. Lanz, President of the Board of Trustees, and Samuel Bon, CEO and Executive Director (from left)
Highlights

Higher incomes for 4.7 million farmers and SMEs

“Katalyst”, Swisscontact’s pioneer project for market development in Bangladesh, is coming to an end after 17 years. Katalyst was financed by an international donor consortium and reached 4.7 million farmers and SMEs over its entire duration, integrating them more closely into market systems. Swisscontact worked in 20 sectors along rural value chains and implemented more than 300 initiatives.

In Bangladesh, Swisscontact applied the “Inclusive Markets” approach, the objective of which is to integrate small-scale producers into the economy; larger firms expanded their portfolio of products, services, and information to SMEs and farmers. As a result, these SMEs improved production and gained access to new markets. A total of US$690 million in additional income was generated through this approach.

2017: Successful International Year of Sustainable Tourism

Swisscontact promotes sustainable tourism in developing countries in order to create productive jobs and income opportunities for broader segments of the population. To this end, Swisscontact participated in activities for the International Year of Sustainable Tourism proclaimed by the World Tourism Organisation (UNWTO) for 2017. Swisscontact experts participated in various sustainable tourism events, most notably the World Tourism Forum in Lucerne.

Internally, sustainable tourism was also an important topic; Swisscontact developed tourism development guidelines for sustainable economic growth. In accordance with these fundamental principles, Swisscontact will only promote a tourism destination if it can demonstrate long-term positive impact on the local population and environment, and in particular, economic viability.

New, innovative projects in Central America

Swisscontact expanded its portfolio in Central America. Countries in Central America are among the hardest hit by climate change, with rural populations who feel these effects most acutely. Given that SMEs and smallholder farmers form the backbone of the regional economy, our new projects will support smallholder farmers in their efforts to adapt to changing climatic conditions and improve their competitiveness in international markets. Better local income generation also helps to stem outward migration.

Our four projects in Honduras and Nicaragua will be financed through Canada’s Department of Global Affairs (Global Affairs Canada), the World Bank, European Union, and the Swiss Agency for Development and Cooperation (SDC).
Impact investing pilot project

Swisscontact was awarded a direct mandate from USAID in Cambodia. Together with UBERIS Capital, an impact investor working in Southeast Asia, Swisscontact will support innovative small and medium agribusinesses. Under the project, UBERIS Capital is setting up a special agribusiness investment fund, while Swisscontact is advising businesses, especially in business management, to ensure the investments are used sustainably. In a second programme component, Swisscontact is helping businesses with growth potential to become investment-ready.

Start of the Swiss Import Promotion Programme SIPPO

Since April 2017, Swisscontact has been managing SECO’s Swiss Import Promotion Programme (SIPPO). A highlight of the first project year was the Import Promotion Forum, which took place in Basel under the patronage of the “Handel Schweiz” Swiss Trade Association. Eighty participants from the private and public sectors discussed opportunities and challenges of public trade promotion. State Secretary Marie-Gabrielle Ineichen-Fleisch praised SIPPO as the flagship of SECO’s economic development cooperation.

Supporting sustainable cities

Southern cities will continue to see substantial population growth in the coming years. This growth brings numerous problems, which due to the lack of basic infrastructure, include unemployment, poor living conditions and low productivity. Swisscontact is committed to developing sustainable cities and is helping local municipal administrations to tackle this immense challenge.

In 2017, Swisscontact concluded a pioneer project in Bolivia for SDC, where we 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 tonnes over the last 14 years.

The pilot project is creating a platform able to accept funds from other bilateral donors and private funders. Based on our existing expertise in enterprise development, Swisscontact can engage in the area of impact investing through this project.

SIPPO supports export promotion boards and trade associations in 11 partner countries in their efforts to provide export services to companies, preparing them for clients’ high standards in important target markets in Europe and worldwide. With this approach, the programme is creating stable long-term export structures in partner countries.
Facts and Figures 2017

Work and Income

600,000 individuals
reached by Swisscontact projects in 2017

The ratio per Swiss franc invested to additional income generated is
1:3

232,500
SMEs have benefited
directly from Swisscontact projects

123 Projects in 36 Countries

El Salvador, Guatemala, Honduras, Nicaragua
15 projects

Benin, Burkina Faso, Mali, Morocco, Niger, Chad, Tunisia
19 projects

Bolivia, Ecuador, Colombia, Peru
24 projects

Burundi, DR Congo, Kenya, Mozambique, Rwanda, South Africa, Tanzania, Uganda
16 projects

Bangladesh, Myanmar, Nepal
17 projects

Indonesia, Cambodia, Laos, Vietnam
16 projects

Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Serbia
12 projects

Switzerland
4 global projects*

*global projects managed from Switzerland
Employees worldwide
Total: 1 424 people

<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>889</td>
<td>535</td>
</tr>
<tr>
<td>62%</td>
<td>38%</td>
</tr>
</tbody>
</table>

Expenditure
Project expenditure per region in CHF million

<table>
<thead>
<tr>
<th>Region</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>20.4</td>
<td>26.4</td>
<td>31.5</td>
</tr>
<tr>
<td>Latin America</td>
<td>25.9</td>
<td>28.3</td>
<td>31.0</td>
</tr>
<tr>
<td>Asia</td>
<td>15</td>
<td>14.0</td>
<td>10.3</td>
</tr>
<tr>
<td>Total</td>
<td>66.3</td>
<td>75.8</td>
<td>88.5</td>
</tr>
</tbody>
</table>

Expense categories in relation to total expenses (in %)

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Expenditure</td>
<td>75.8</td>
</tr>
<tr>
<td>Project Support Expenditure</td>
<td>8.5</td>
</tr>
<tr>
<td>Administration Expenditure</td>
<td>1.0</td>
</tr>
<tr>
<td>Communication and Fundraising</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Source of Funds
in CHF million

<table>
<thead>
<tr>
<th>Year</th>
<th>Total return</th>
<th>Donations and Contributions</th>
<th>Federal Mandates (CH)</th>
<th>Federal Funding of Programmes (CH)</th>
<th>Various Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>100.6</td>
<td>66.3</td>
<td>17.2</td>
<td>57.8</td>
<td>6.0</td>
</tr>
<tr>
<td>2016</td>
<td>100.6</td>
<td>17.2</td>
<td>16.4</td>
<td>65.0</td>
<td>6.0</td>
</tr>
<tr>
<td>2017</td>
<td>100.6</td>
<td>6.7</td>
<td>6.7</td>
<td>5.6</td>
<td>9.6</td>
</tr>
</tbody>
</table>

*Eastern Europe and Switzerland (SEC, DC dVET)

Financial Report 2017 (in German) >>
www.swisscontact.org/financialreport
Project Focus

Mozambique
Better seeds, better harvests

In the Nacala Corridor, agriculture faces two major challenges: on the one hand, production needs to be increased, while on the other, planting techniques must adapt to changing climatic conditions. The SDC-funded programme “Horti-Sempre”, implemented by Swisscontact, is tackling these challenges using the Inclusive Markets approach.

Read in the online annual report:
• Better seeds, better harvests: how Swisscontact is developing the seed market in Mozambique
• Infographic: how the Horti-Sempre project works
• Farmer Alberto Etupito describes how Swisscontact’s activities have helped him
• Interview with Avencio Matenga, a local Swisscontact employee

Nepal
A New House in 50 Days

Reconstruction in Nepal has stalled because there are simply not enough skilled professionals available. Swisscontact therefore trained 600 construction workers and 400 masons in Sindhuli District. Now they not only have income, they are also finding their way back to a normal life.

Read in the online annual report:
• A new house in 50 days: Swisscontact trains masons for reconstruction
• Stone by stone: a photo report
• Nine tips for safe reconstruction
• Video: graduates describe what has changed since the training
Project Indicators

- **increases in income** for 31,000 people who have benefited from vocational training programmes
- **71,600** people have benefited from training programmes
- **40,000** people in 22 projects received assistance in their job search
- **3665** newly created full-time positions in 14 projects
- **CHF 102m** in additional income for businesses in 19 projects, thanks to access to equipment, markets and information
- **41,110** farmers and SMEs benefited from credit and leasing services in 11 projects
- **CHF 41.1m** volume of financial services obtained in 8 projects
- **Greenhouse gases reduced by 550,000 tonnes** in 4 projects
- **4219** brick manufacturers and recycling businesses increased their revenues in 2 projects by **CHF 6.7m**

* according to Swisscontact system for Monitoring and Results Measurement, rounded
In 2017, Swisscontact implemented the knowledge transfer initiative developed the previous year, establishing Communities of Practice (CoPs). Through discussion and exchange of experience, these global expert groups internal to Swisscontact develop mutually beneficial knowledge tools. They provide Swisscontact experts around the world with specific tools such as checklists, guidelines and manuals on various specialty topics. The objective is to foster innovation and articulate various topics, thereby improving quality and achieving conceptual development more efficiently. Eight CoPs were created, with topics including migration, access to financial services, gender, tourism, and entrepreneurship.

**Digital work tools, personal contacts**
Working across 36 countries on four continents represents a formidable challenge. Digital work tools make knowledge exchange possible and are essential to CoPs, but they are no replacement for human contact. For this reason, regional seminars are organised to bring CoPs together. The KCM Department advises CoPs through regular training and coaching events. In September, the first training of CoP leaders took place in Zurich. In addition, a week-long global seminar was held in Zurich in autumn as part of the “International Year of Sustainable Tourism”.

In 2017, the KCM Department also brought expert contributions in national and international networks, including BEAM Exchange, the FoBIZZ forum for vocational education and international development cooperation, Aspen Network for Development Entrepreneurs (ANDE), the SEEP Network and the NADEL Centre for Development Cooperation at ETH Zurich.
Monitoring and Results Measurement (MRM)

Since 2013, Swisscontact has been investing considerably in building a unified results measurement system for use in all projects and which meets the standards of the Donor Committee for Enterprise Development (DCED). Impact chains constitute the core of this system; for each intervention, measurable indicators, appropriate assessment tools, sustainability indicators and rules for optimal use of the results in project management are defined. When all these elements are present and of high quality, a project delivers credible results and interventions can be continuously improved. It also provides valuable knowledge for our partners and other projects.

In 2017, a new results measurement guideline and reporting mechanism was developed and projects that work to promote sustainable tourism, entrepreneurship and exports were provided with technical support. Internal results measurement experts also provided support in the conceptual development of new projects as well as in communication with partners.

In September a seminar was held with project managers and results measurement specialists of Swisscontact’s own Development Programme. The topics covered included practical solutions for smaller projects, using IT tools, and how to use the system in various areas. Seminar participants shared that they considered continuous support from technical advisors and an intensive exchange among results measurement experts to be of vital importance.

Corporate Communications

Swisscontact reports on its activities factually and close to the local target group population. From there, communications are maintained with all stakeholders, from the media to our donors on one end, and with target groups on the other.

The Swisscontact website (www.swisscontact.org) is our most important communications channel. Our newsletter also gives regular additional accounts of our projects. Whoever wishes to gain an even more intimate glimpse into our project work can follow Swisscontact on Facebook and LinkedIn. Information and results are presented in various formats, and high-quality content is prepared with the specific target audience in mind. Videos and infographs document project close-outs.

In 2017, our team successfully enhanced the scope and reach of our media work from the previous year. Press releases and guest articles in 2017 offered a broad range of reporting, Contact with individual journalists increased. Interest in international development cooperation was also reflected in various social media platforms, where Swisscontact and its representatives and contacts generated over one million posts. We overhauled our annual report and regional reports during the reporting year, presenting them in a digital format, while numerous publications present the approaches, innovations, figures, and facts from our project work.

In Eastern Europe, and Central and Southern America regions, our Communications Managers participated in seminars in order to exchange the latest developments in the communications field. Coordination of all institutional and project activities, as well as conveying proven problem-solving approaches in 35 countries, were paramount to these events. Newly introduced corporate controlling tools prove the effectiveness of our communication in all its forms.
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Thomas Bergen  
(from left)

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Former President of the Swiss Federal Communications Commission (ComCom) in Berne (2005-2016)

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Co-founder and Board Member, Amphasys AG, Root

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Zurich

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Zurich
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Auditors
PricewaterhouseCoopers AG, Zurich

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Regional Directors und Management Team >>
www.swisscontact.org/report2017/organisation
We would like to thank our project partners

Institutional Partners

Private Partners

Thematic Partners
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Swiss Foundation for Technical Cooperation
Hardturmstrasse 123
CH-8005 Zürich
Tel. +41 44 454 17 17
www.swisscontact.org

We create opportunities

Cover: emissions test in Bolivia
Pictures: Swisscontact employees and friends
Layout: Pierre Smith, South Africa

ZEWO Seal of approval: Swisscontact was awarded the Seal of Approval from ZEWO. It is awarded to non-profit organisations for the conscientious handling of money entrusted to them, proves appropriate, economical and effective allocation of donations and stands for transparent and trustworthy organisations with functioning control structures that uphold ethics in the procurement of funds and communication. Swisscontact is regularly audited on the adherence to these criteria. (Source: ZEWO)

Swisscontact is a member of Transparency International.