Switzerland supports Ukraine on its path towards peace and sustainable development by building an inclusive society where all women and men equally contribute to and benefit from public integrity and sustainable growth. Switzerland therefore engages in peacebuilding and assists Ukraine in implementing major reforms. Projects supported by Switzerland focus on the following key areas: Peace, Protection and Democratic Institutions, Sustainable Cities, Small and Medium-Sized Enterprises and Competitiveness as well as Health.

Background

Ukraine is a context of deep contrasts, being at the same time one of the largest but also among the poorest countries (measured by GDP per capita at purchasing power parity) in Europe. Ukraine has also considerable economic potential, while parts of its territory have remained outside government control for more than 5 years due to armed conflict and annexation: since fighting erupted in eastern Ukraine in April 2014, over 13,000 people were killed and an estimated 1.4 million (2019) are displaced from their homes. Switzerland has been working to find a peaceful resolution to the conflict within the framework of the Trilateral Contact Group negotiations in Minsk. Moreover, Switzerland believes that the Russian Federation’s continued annexation of the Crimean Peninsula since March 2014 contravenes national and international law and goes against the territorial integrity of Ukraine.

Following the ‘Euromaidan’ or ‘Revolution of Dignity’ in 2013/2014, reforms in Ukraine have been strongly encouraged and considerable progress was achieved, for example in relation to decentralisation, healthcare, education as well as the energy and banking sectors. After presidential and parliamentary elections were held in 2019, the new government reiterated its willingness to pursue the reform process, which indicates that the country is firmly moving towards Euro-Atlantic standards. For that to materialize, it is essential that Ukraine continues the crackdown on corruption, since this is a necessary step to uphold and improve confidence in public institutions.

Swiss commitment

Switzerland has been involved in cooperation activities in Ukraine since the 1990s and opened a cooperation office in Kyiv in 1999. It has been supporting reform efforts ever since, including contributions to improve the living standards of the local population and to more efficient public service delivery and by promoting sustainable economic growth. Switzerland’s current activities are based on its cooperation programme for 2020–23, which defines four areas of intervention under the responsibility of respective units within Swiss Federal Administration.

Peace, protection and democratic institutions

Efforts are focused on facilitating a peaceful solution to the conflict in eastern Ukraine, for example, by
seconding experts to the negotiations of the Trilateral Contact Group. Peacebuilding, humanitarian aid and protection measures, combined with governance reforms, aim to achieve the overarching objectives of finding a peaceful and lasting solution to the conflict, ensuring compliance with international law, promoting human rights and strengthening democracy. Switzerland is engaging in dialogue and undertaking diplomatic efforts both at bilateral and multilateral level to ensure progress in and eventually the success of these initiatives. Action will be taken to raise public awareness of human rights and international humanitarian law. The Humanitarian Aid of the Swiss Confederation, acting in an independent and impartial capacity, will continue to be active on both sides of the contact line in eastern Ukraine. Further objectives include strengthening democratic institutions at national and sub-national level (e.g. local authorities) in the government controlled areas and, in particular, encouraging women and vulnerable groups to participate in political processes.

Sustainable cities

The main priorities in this area are accelerating a resource efficient and climate friendly economic growth, as well as improving quality of life in the cities. Better energy management, integrated urban development and sustainable mobility form the cornerstones of Switzerland’s contribution. This multi-dimensional approach to promoting a green economy should in the long term make Ukraine’s cities more attractive to local population and investors.

SMEs and competitiveness

The main objective of this area of intervention is to achieve broad-based economic growth and, in particular, to harness the potential of small and medium-sized enterprises (SMEs). This involves enhancing overall competitiveness and creating suitable framework conditions. Switzerland’s efforts in this area are focused on integrating the products of agricultural SMEs into sustainable value chains and facilitating access to financial services, which includes working with the financial sector to develop innovative financial products. Switzerland is also assisting national authorities in implementing economic legislation reforms and creating a pro-competitive regulatory environment.

Health

The overarching objective is to improve the health status of the Ukrainian population, with a particular focus on those affected by the conflict. In order to achieve this, efforts are undertaken to improve health governance and the quality of primary care while keeping costs to a minimum. The programme also seeks to improve public awareness of health in general. It also promotes healthier lifestyles and increased life expectancy of the Ukrainian population, especially among men, young adults and children by actively involving civil society, strengthening local communities, delivering improvements in health services, and promoting a greater awareness of health issues. Switzerland’s cooperation targets eastern Ukraine, including communities affected by the conflict, and it also includes interventions in the mental health domain.

Indicative budget for 2020–23 by theme and source of funding (mio. CHF)

<table>
<thead>
<tr>
<th>Theme</th>
<th>Source of Funding</th>
<th>Budget (mio. CHF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peace, Protection and Democratic Institutions</td>
<td>SDC CEE, SDC HA, HSD, SECO</td>
<td>43.9</td>
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<td>Health</td>
<td>SDC CEE</td>
<td>13.6</td>
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<tr>
<td>Other interventions / small projects (SDC CEE)</td>
<td>SDC CEE</td>
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<td>Sustainable Cities</td>
<td>SECO</td>
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<tr>
<td>SMEs and competitiveness</td>
<td>SECO, SDC CEE</td>
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<tr>
<td>Total Funds</td>
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<td>108.2</td>
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</tbody>
</table>

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