



Swiss Enlargement Contribution Activities in 2010

Annual Report



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

**Swiss Agency for Development
and Cooperation SDC**

**State Secretariat for
Economic Affairs SECO**

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Dear Reader,

In 2010, around CHF 36 million was spent on six infrastructure projects in Hungary. These projects have helped to secure water supply, improve water quality and protect the environment. In Latvia, 110 school buses were delivered to 59 municipalities in disadvantaged rural areas, providing them with a functioning school transport system. In Estonia, an international judges conference was held in Tartu in September. Drawing around 200 judges and legal experts from Switzerland and ten other countries, this conference enabled discussion of the mutual recognition of judicial decisions between EU member states as well as between EU member states and non EU member states.

These examples show that Switzerland's contribution to EU enlargement is now beginning to bear fruit. A total of around CHF 1.257 billion has been spent by the Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (SECO) since 2007. Switzerland's contribution to EU enlargement is intended to reduce economic and social disparities between the twelve new EU member states, which should lead to greater security, stability and prosperity in Europe. Switzerland's contribution to EU enlargement is a major pillar of Swiss foreign policy in Europe. In view of the global economic and financial crisis, which has hit individual countries in East-Central Europe particularly hard, Switzerland's enlargement contribution has become even more important.

Taking interim stock of the situation: by 31 December 2010, 152 project proposals had either been provisionally or definitively approved for a total of CHF 788 million. On 7 September 2010, Switzerland signed bilateral framework agreements with Bulgaria and Romania. In Malta und Cyprus, all approved projects are now in the implementation phase. Many of these projects have led to partnerships with Swiss institutions which are able to contribute Swiss expertise. In other words, implementation of Switzerland's enlargement contribution is on track.

Over the next few years, we will have to face major challenges: the high quality of projects and programmes needs to be maintained. Delays in the development and implementation of projects must be avoided. Finally, it is important to ensure that all funds are used efficiently and effectively in accordance with contractual obligations. Only in this manner can our mandate from the Swiss people be properly fulfilled.

We hope that you enjoy reading this Annual Report.



Jean-Daniel Gerber



Martin Dahinden

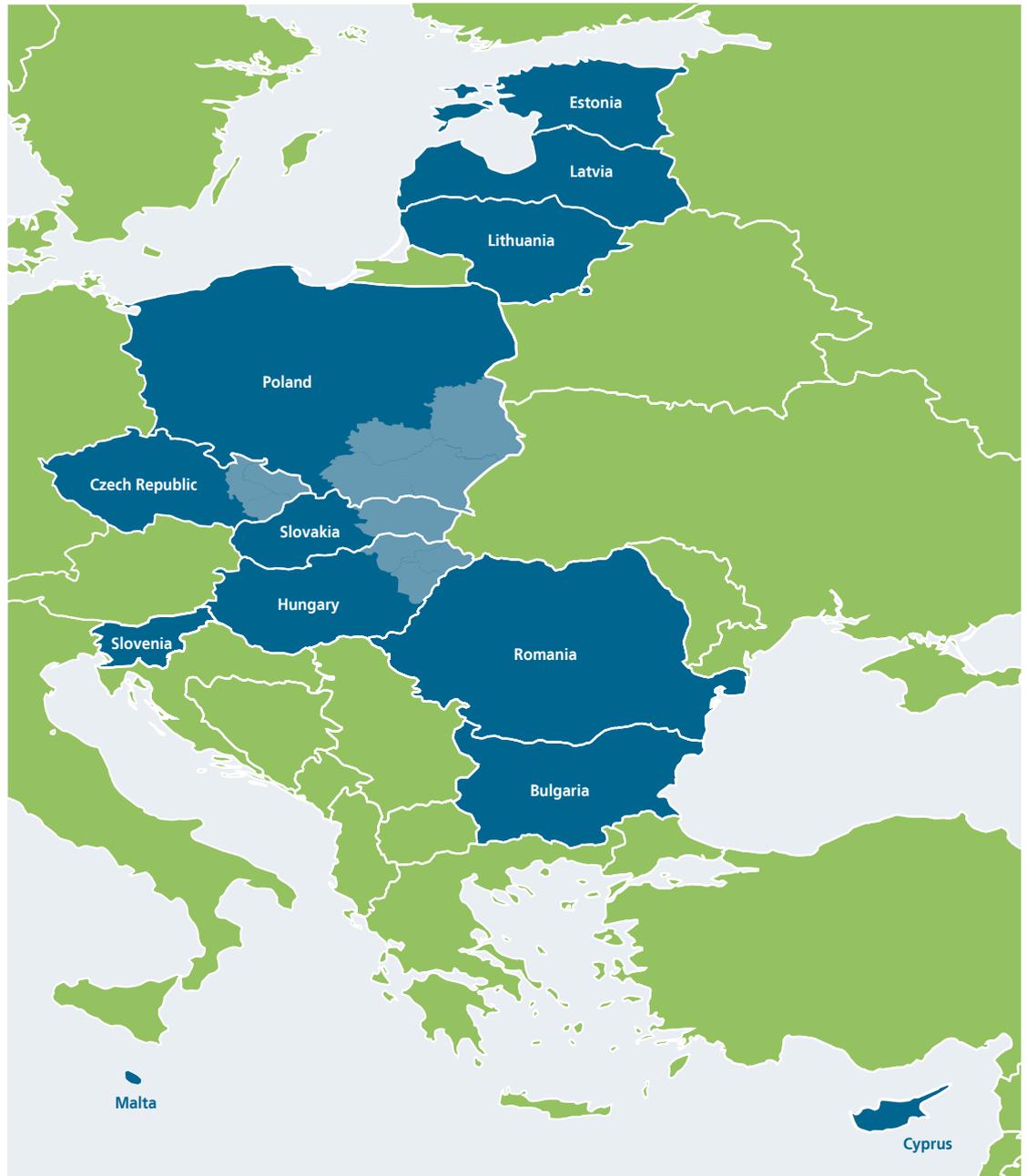


State Secretary
SECO Director



Ambassador
SDC Director-General

Switzerland's contribution to EU enlargement



On 26 November 2006, Swiss voters approved the Federal Act on Cooperation with the States of Eastern Europe. By doing so, the Swiss population expressed its wish to make a contribution of CHF 1 billion to help reduce economic and social disparities within the enlarged EU. The ten countries receiving support are the ones that acceded to the EU in 2004: Estonia, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus. These countries are collectively referred to as EU-10 member states. The enlargement contribution is an expression

of solidarity and responsibility. By making the contribution, Switzerland also consolidates its relations with the EU, its main political and economic partner.

The Federal Act approved by the people in 2006 also authorises extension of the enlargement contribution to Bulgaria and Romania, which joined the EU in 2007. An additional sum of CHF 257 million has been set aside for these two countries.

Responsibility for administering Switzerland's enlargement contribution is shared by the State Secretariat for Economic Affairs (SECO) and the Swiss Agency for Development and Cooperation (SDC). Projects relating to the following four priority themes are implemented in close cooperation with the national institutions in partner countries:

1) Security, stability and reforms,



2) Environment and infrastructure,



3) Promotion of private sector,



4) Human and social development.



Project proposals will undergo approval until June 2012 (EU-10 member states) or December 2014 (Bulgaria and Romania). Payments will be made up to June 2017 (EU-10 member states) or the end of 2019 (Bulgaria and Romania).

Activities and results in 2010

Switzerland's contribution to EU-10 member states

For the most part, selection of project proposals in EU-10 member states was completed in 2010. These project proposals were either submitted to national coordination units (NCUs) by applicants in public calls for project proposals or submitted by specialised ministries directly. In countries with numerous calls for project proposals (e.g. Poland, Hungary, Czech Republic and Slovakia), the selection of project proposals took longer due to the large number of submissions and careful consideration of Swiss quality requirements.

Considerable progress is also being made on approval of project proposals. By the end of 2010, 82 projects had received definitive approval. These projects focus on such things as: modernising 50-year-old water supply systems in Hungary; promoting the use of renewable energy sources in Slovenia; equipping and training border guards in Poland; lending support to emergency call and ambulance services in Estonia; improving cancer screening capabilities in Malta; encouraging the use of transparent accounting standards in the Czech Republic; and establishing funds to support the activities of non-profit organisations in Slovenia, Czech Republic and Hungary. Switzerland's contribution to these 82 projects stands at CHF 326 million.

In addition, 70 preliminary project proposals have been provisionally approved. The project outlines will now give way to more detailed project proposals (details regarding the two-stage project approval procedure can be found in infobox 1). Switzerland's contribution to these 70 preliminary project proposals has been provisionally set at CHF 462 million.

Infobox 1:

Two-stage project approval procedure

The decision-making bodies of the SDC and SECO use a two-stage approval procedure to examine project proposals: only after the preliminary project proposal has been approved (stage 1) is the applicant allowed to prepare and submit a detailed project proposal (stage 2). This two-stage approval procedure improves the quality of projects since the preliminary project proposal approved in stage 1 can be used as the basis for determining subsequent action to be taken from stage 2 onwards. At the same time, it reduces the applicant's preparation costs in the event the project proposal does not make it past stage 1.

Infobox 2:

Monitoring implementation

As more and more projects reach the implementation phase, the main focus will shift to reporting, inspections and auditing of accounting records. Local offices have therefore been established in Warsaw, Riga, Prague, Budapest and Bucharest (2010). The staff at these offices are familiar with local conditions and have direct contacts, which effectively reduces the risk of misappropriation of funding. If there are any suspected irregularities, Switzerland is able to suspend payments and take action to recover amounts improperly paid.



Diagram 1:

Status of two-stage project approval process

The total value of the EU-10 project portfolio stands at CHF 950 million. 83% of these funds had been earmarked by the end of 2010: 34% for definitively approved projects and 49% for provisionally approved project proposals. Administration costs for these projects on the Swiss side amount to an additional CHF 50 million.

mln CHF

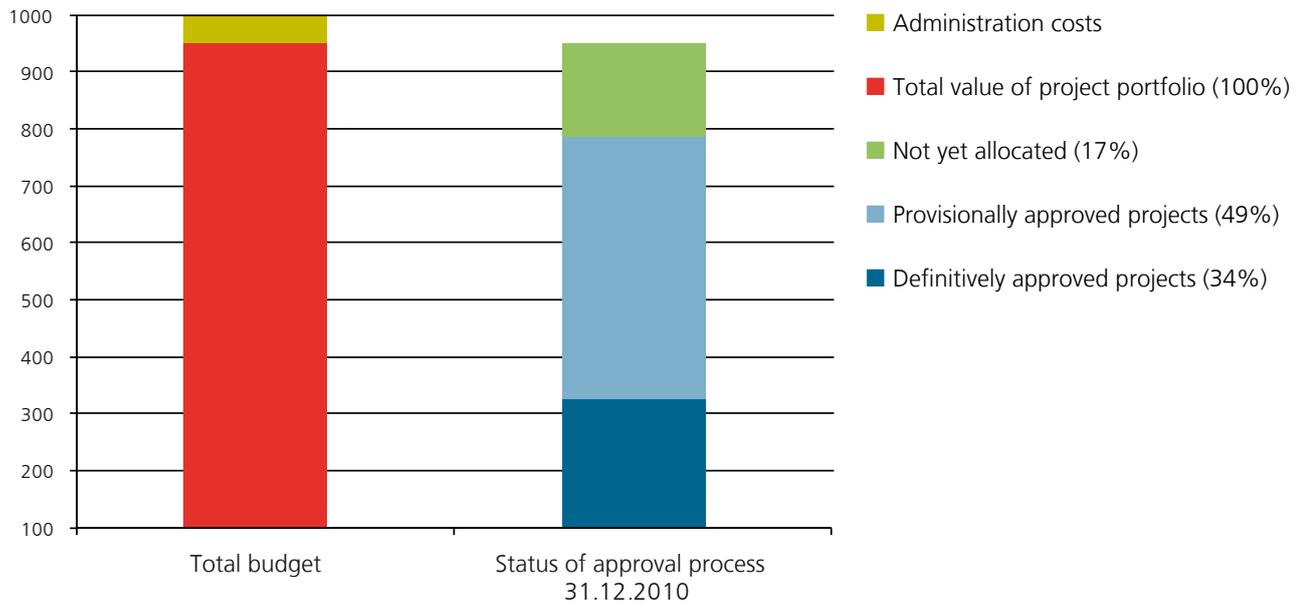
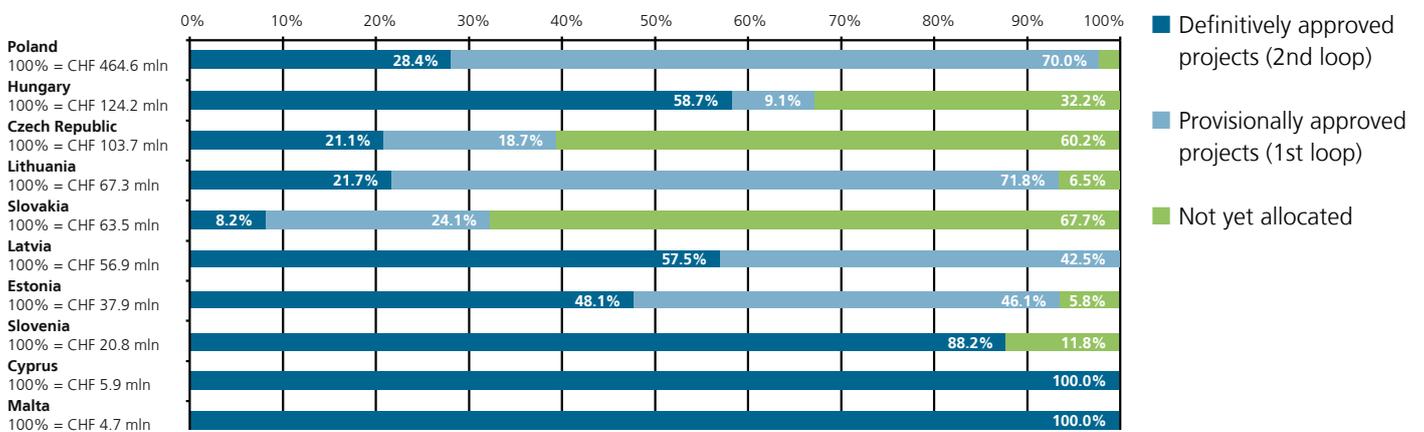


Diagram 2:

Distribution of funds and status of the two-stage project approval process by country (status 31.12.2010)





Switzerland also funds up to 60 scholarships for prospective diplomats wishing to study at the University of Malta's Mediterranean Academy of Diplomatic Studies. By helping to train diplomats from various Mediterranean regions and by establishing an alumni network, cooperation between Mediterranean countries becomes deeper and more intensified.

In Cyprus, Switzerland approved three projects worth CHF 6 million. The first project seeks to modernise upper-secondary level vocational education and training (VET). With the help of the Swiss Federal Institute for Vocational Education and Training (SFIVET) in Zollikofen, young people in Cyprus will find the school-to-work transition easier. This should help reduce the social exclusion associated with unemployment and offer workers the opportunity to sustainably improve their occupational skills.

The second project addresses the need for improved protection of the maritime ecosystem around the island. Switzerland has provided funding for the installation and operation of modern stationary and mobile sea platforms. This will bring both qualitative and quantitative enhancements to monitoring of the maritime ecosystem off the coast of Cyprus and help reduce the risk of environmental catastrophes affecting marine life.

The third project funded through Switzerland's contribution to EU enlargement involves renovation of a cultural centre in the buffer zone between Northern and Southern Cyprus. Funding will also be used to partly cover furnishing costs. The cultural centre encourages dialogue between the two communities that share the island and is meant to contribute to peaceful co-existence in Cyprus.

Implementation phase begins in Cyprus and Malta

The approval process for project proposals in Cyprus and Malta is now complete, making these two countries the first to enter the implementation phase.

In 2010, Switzerland provided the funding needed to purchase a so-called PET scanner for the Mater Dei Hospital in Malta. Readily deployable, this equipment will improve the hospital's cancer screening capabilities. This is the first time the inhabitants of Malta will enjoy the benefits of a PET scanner in a public hospital in their country. The Oncology Institute of Southern Switzerland (IOSI) in Bellinzona helped the Mater Dei Hospital choose the most suitable PET scanner and is currently training the hospital staff to ensure that the equipment is used properly.



Switzerland's enlargement contribution in Bulgaria and Romania

Bilateral framework agreements with Bulgaria and Romania were signed in Bern on 7 September 2010. These agreements establish the content and terms of implementation of Switzerland's contribution to EU enlargement in these two countries. Switzerland's enlargement contribution stands at CHF 76 million for Bulgaria and CHF 181 million for Romania. Project proposals in these new EU member states will undergo approval until the end of 2014 and payments for approved projects will continue until 2019. With Bulgaria and Romania, the number of countries benefiting from Switzerland's enlargement contribution has increased to twelve.

As with enlargement contribution projects in EU-10 member states, the projects in Bulgaria and Romania will be assigned to one of four priority themes. Activities to include minorities have also been added. Switzerland's enlargement contribution projects in Bulgaria and Romania will also now be partly paid for by thematic funds that will be managed by Swiss fund managers (referred to as Swiss intermediate bodies). These fund managers are selected by public tendering processes, which are fully underway. All project proposals will be initially assessed by Swiss fund managers before being cleared for the approval procedure. The SDC and SECO will receive support from a local Swiss contribution office in Bucharest and the Swiss Embassy in Sofia.

The first projects relating to the priority theme "Security, stability and reforms" in Bulgaria and Romania were approved by the end of 2010 for a total value of CHF 231,000. Since both countries wish to join the Schengen Area in the near future, steps need to be taken to raise the awareness of the police, border guards and the civilian population. Only in this manner can Schengen Area criteria be met. Among the various criteria, demonstrable progress must be made in the fight against corruption.



First projects reach completion

Switzerland's contribution to EU enlargement reached an important milestone in Latvia as the last of 110 school buses were delivered in December 2010. This marked completion of the Swiss-Latvian project to improve the school transport system in 59 rural municipalities. All in all, Switzerland devoted CHF 16 million to the project, making it the largest Swiss-Latvian project budget-wise. It was also the



first Swiss enlargement contribution project to reach completion. The project was extremely popular among the Latvian population and became even more urgent during the economic and financial crisis, when national budget cuts led to discontinuance of bus service in certain parts of the country. The Swiss-Latvian project remedied this gap in public transport by providing the buses needed to get to and from school. Without these buses, it would have been impossible for many school children in rural municipalities to regularly attend schools located kilometres away from their homes. Around 9,000 children have benefitted so far.

Another project that reached completion in 2010 was the international judges conference held in Tartu in September. Drawing around 200 judges and legal experts from Switzerland and ten other countries, this conference enabled discussion of the mutual recognition of judicial decisions between EU member states, as well as between EU member states and non EU member states. The main costs for the event (CHF 95,000) were covered by Switzerland's enlargement contribution. The conference results will be summarised in a compendium published in four languages.



Positive interim balance at Annual Conference

At the Annual Conference on Cooperation with Eastern Europe 2010, Switzerland and its partner countries took stock of the first 3 ½ years of cooperation. Around 350 attendees from business, political, government and civil society spheres gathered together at the Aarau Cultural and Conference Centre on 19 November 2010.

In his opening speech, Federal Councillor Johann N. Schneider-Ammann stated that he was confident that the funding allotted by the enlargement contribution could be committed by mid-2012 despite the difficult economic situation. He highlighted the sharp increase in Swiss exports in EU-10 member states: in 2009, Swiss-Polish trade reached CHF 3 billion, matching trade levels with Russia, Brazil or India.

In her keynote speech, Polish Minister for Regional Development, Elżbieta Bieńkowska stated that Switzerland's contribution to EU enlargement has also enabled Poland to reduce disparities within the country. Considerable funding has flowed to the south-eastern region of the country, where infrastructures are lacking.

After these introductory speeches, short films were shown to present the twelve countries benefitting from Switzerland's contribution to EU enlargement. After each film, the moderator asked experts to discuss various aspects of Switzerland's enlargement contribution. Specifically, he wanted answers to typical questions that repeatedly arise in public debates: Is the money from Switzerland's enlargement contribution really being used as it should? In their replies, the experts gave their assurances that considerable efforts are being made to reduce the risk of malfeasance.

A podium discussion held in the last part of the annual conference drew attention to the fact that relations between Switzerland and partner countries are based on mutual understanding. Switzerland's enlargement contribution pursues very clear objectives: funding is used in the least developed regions, and activities are complementary to EU-funded projects.

In his closing speech, SDC Director-General Martin Dahinden stated that the lion's share of project implementation, and therefore the decisive phase of cooperation, still lies ahead. Mr Dahinden was nevertheless serene as far as the implementation phase was concerned: "I feel confident with what we've seen thus far," he stated.



Quotes

“Our continent is strong only if all countries enjoy the same opportunities. Inequality creates tensions and tensions impede progress.”

Federal Councillor Johann N. Schneider-Ammann, Head of the Federal Department of Economic Affairs (FDEA), on the importance of cooperation with the partner countries.

“I greatly appreciate the fact that you never lose sight of the objective. Because people need to be happy and have the opportunity to build lives for themselves where their roots are.”

Federal Councillor Schneider-Ammann

“Swiss funding not only helps to reduce disparities within the EU, but also inequalities in Poland.”

Elżbieta Bieńkowska, Polish Minister for Regional Development

“There are many unemployed people who are no longer able to afford basic necessities. So they end up begging in the streets.”

Christina Grieder, Head of the enlargement contribution office in Riga, responsible for the three Baltic states of Estonia, Latvia and Lithuania, on her impressions of the recent months of recession.

“All market participants, including Swiss companies, benefit from equal framework conditions.”

Ambassador Beatrice Maser, Head of SECO's Economic Cooperation and Development Division

“It is applied to niche areas in an effort to achieve maximum impact with small amounts of funding.”

Vice-Director Kurt Kunz, Head of the SDC's Department for Cooperation with Eastern Europe, on the value of Switzerland's contribution to EU enlargement.

“We shouldn't measure the usefulness of Switzerland's contribution to EU enlargement so much at a project level. After all, we are not only transferring funds. We are also building relations. It is my hope that these relations will continue long after the objectives of our cooperation have been reached and that these relations will prove fruitful.”

SDC Director-General Martin Dahinden

Priority themes and project examples in EU-10 member states

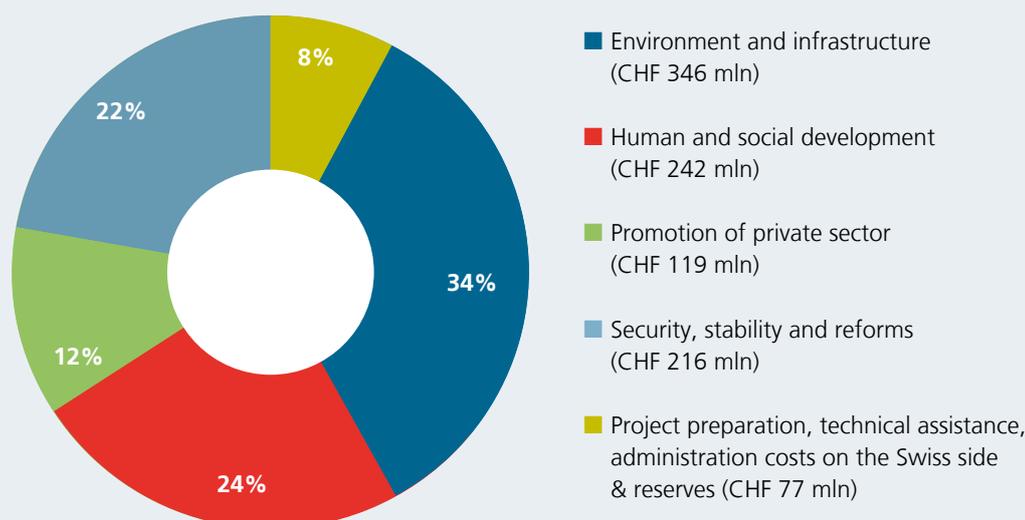
Numerous enlargement contribution projects have been approved for all four priority themes. Since Switzerland's enlargement contribution in Bulgaria and Romania is still in the early stages, this chapter will only cover the activities carried out in EU-10 member states. Diagram 3 shows how Switzerland's enlargement contribution has been allocated to the four priority themes.

Reserve funds have been established in all of the partner countries. Current reserves stand at CHF 165 million. In 2010, these funds were fully allocated to the four priority themes in eight of the EU-10 member states.

The content of the four priority themes is presented in the following along with more detailed information regarding individual projects. The budget for each priority theme is also indicated. A full overview of all provisionally or definitively approved projects can be found on the enlargement contribution Web site: www.swiss-contribution.admin.ch

Diagram 3:

Allocation of Switzerland's enlargement contribution to four priority themes



Priority theme: Security, stability and reforms

Switzerland has set aside CHF 216 million for enlargement contribution projects relating to this priority theme in EU-10 countries. Areas of focus include border control, immigration and asylum, legal certainty, judicial reforms, measures to crack down on corruption and organised crime, natural disaster mitigation and regional development.

The first projects to improve the processing of immigration and asylum cases in Poland were approved in 2010 (see infobox on the following page). Two projects in Estonia were also approved, the first to improve fire protection in over 200 nursing homes and hospitals and the second to introduce a modern emergency call system. Both projects will help improve the country's ability to handle fire-related incidents and natural disasters. Switzerland will be providing a total of CHF 3 million to these two projects. Among the new enlargement contribution projects in the Czech Republic is a project to develop probation and reintegration programmes for young and adult offenders. This project is based on successful Swiss models (see infobox on the following page).



Project example:

Poland helps to tighten security along the EU border

The eastern border is an important security concern for Poland. Increased threats along Poland's eastern border also affect security within the European Union. The main risks relate to smuggling and human trafficking, terrorist attacks and the introduction of contagious diseases. As part of Switzerland's contribution to EU enlargement, three projects in Poland were approved to improve security along the Polish and, by extension, the EU border. The total value of these projects stands at around CHF 5.5 million. The three projects are intended to reduce the three risks mentioned and are therefore complementary. Implementation will begin in 2011.

The first project seeks to establish a new health-screening clinic on the eastern border of Poland. Currently, the country's only health-screening clinic is located near Warsaw, in the middle of the country. By testing immigrants on the eastern border (i.e. before they enter the country), the new clinic will help to improve health in Poland. Switzerland has allocated CHF 1.7 million for construction of the new clinic and the purchase of medical equipment.



The second project seeks to crack down on illegal cross-border trade in four border regions in Eastern Poland. With CHF 2.5 million from the enlargement contribution, Switzerland has facilitated the purchase of 70 specially equipped vehicles that will be used by mobile border patrols. These vehicles will intensify and improve communication between border-control authorities and mobile border guards.

A coordinated and harmonised approach to Polish national security threats is the focus of a follow-up project. The aim is to provide intensive crisis management training to Polish decision-makers along the eastern border so that they will be able to provide a coordinated and harmonised response to crisis situations. Switzerland has allocated 1 CHF million to this project.

Project example:

Development of probation and reintegration programmes in the Czech Republic

Compared to the EU average, the Czech Republic has a relatively high proportion of prisoners in relation to the total population. At the same time, the success rate of reintegration of ex-convicts in society tends to be rather low. Probation and reintegration programmes and related projects are an important factor in the successful reintegration of offenders. They also reduce the likelihood that ex-convicts will become repeat offenders.

This is where the enlargement contribution project to develop probation and reintegration programmes in the Czech Republic can make a difference. The project seeks to reintegrate ex-convicts into society and keep them out of prison. The project eases the burden on state coffers and improves the protection afforded to the civilian population. Switzerland has



allocated CHF 1.5 million to this project, which was approved at the end of 2010.

The project is based on the experiences of Swiss experts in the area of probation and social work relating to criminal justice; these experiences will be shared with the Czech Republic. The Association for the Development of Probation in Eastern Europe (VEBO) and the Zurich Municipal Probation and Enforcement Office are two Swiss partners involved in the project. Their expertise will contribute to successful implementation. This partnership between Swiss and Czech judicial authorities will also lead to an exchange of experiences that will benefit both countries.

The project is comprised of four main parts: 1) formation of a Swiss-Czech Expert Project Council; 2) learning programmes for young offenders; 3) various reintegration programmes; and 4) creating conditions for the long-term stability of programmes.

Priority theme: Environment and infrastructure

As part of its contribution to EU enlargement, Switzerland has allocated CHF 346 million to this priority theme in EU-10 countries. Among other things, these projects seek to preserve biodiversity, protect nature and the environment, achieve energy efficiency, encourage the use of renewable energy sources, dispose of hazardous waste (see infobox on the following page), develop public transport, monitor environmental conditions, secure drinking water supplies and improve the quality of water. In Hungary, six infrastructure

projects were approved in 2010 for a total budget of over CHF 35 million. This includes four projects relating to water supply and two projects to improve monitoring of environmental conditions (see infobox on the following page). In Latvia, the rehabilitation of an industrial port is planned since the groundwater and soil are contaminated from decades of improper handling of oil products. In Poland and the Czech Republic, steps are being taken to improve the safety and reliability of local and regional public transport.



Project example:

Waste management in Poland

In an effort to reduce environmental pollution, a conglomeration of municipal authorities in Lubartów intends to establish a new waste management system for the subregion's 81,000 inhabitants. At present, there is no sorting of ordinary and hazardous waste; waste disposal sites are inadequate; and large amounts of waste are illegally disposed of. These shortcomings have a negative impact on the environment and can lead to health problems. The project seeks to build a new waste disposal plant



with the following capabilities: sorting of hazardous, ordinary and recyclable waste; processing of compostable waste; and conversion of methane-producing waste to electricity (bio-gas). The aim is to reduce the amount of waste in disposal sites by 70%. At the same time, waste disposal sites need to be cleaned up, since they do not currently meet EU standards. With introduction of the polluter pays principle in the various municipalities, the project is economically sustainable. Switzerland will be contributing CHF 12.8 million to the project.

Project example:

Monitoring environmental conditions in Hungary

Project 1: Monitoring of waste disposal sites

Illegal waste disposal sites are commonplace in the middle Danube Region. In many cases, there is not enough proof for action to be taken against suspected polluters. For this reason, the laboratories of the corresponding inspection offices need to be better equipped and provided with mobile measurement and analysis devices. This should reduce the risk of water, air and soil pollution, thereby improving the living conditions of around 3.5 million inhabitants in and around Budapest. The project was definitively approved in 2010. Switzerland's contribution is CHF 5.1 million.



Project 2: Improving the national air quality monitoring network

Switzerland has set aside CHF 5.7 million to improve the national air quality monitoring network in Hungary. This project should enable more information to be gathered regarding concentrations of heavy metals, particulate matter, nitrogen oxides, sulphur dioxide and cancer-causing hydrocarbons. The project will also lay the foundation for improvement of air quality, implementation of corresponding EU Directives and compliance with environmental standards. Funding will be used to modernise regional laboratories and purchase two mobile monitoring stations. This will enable 33,600 additional readings to be taken at 50 new locations each year. The resulting data will then be entered into the existing data network.

Priority theme: Promotion of private sector

Switzerland has set aside a total of CHF 119 million for projects to promote the private sector in EU-10 member states. This includes access to long-term financing for small and medium-sized enterprises (SMEs), the use of international accounting standards, promotion of trade, and compliance with social and environmental standards. In 2009, a programme to provide venture capital to SMEs in Poland was definitively approved. In 2010, a similar programme was

definitively approved in Hungary. A programme to provide guarantees for investment loans in the Czech Republic and a microcredit programme in Latvia (see infobox) were provisionally approved (details regarding the two-stage project approval procedure can be found in infobox 1, page 6). In 2010, a programme to improve transparency in the field of company accounting and auditing in the Czech Republic was definitively approved. Similar programmes have already been launched in Estonia, Latvia, Poland and Slovenia. Also worth mentioning is a project to promote corporate social responsibility in Poland (see infobox).



Project example:

Microcredit programme in Latvia

After the boom years when annual economic growth stood at around 10%, Latvia's economy collapsed in 2008 under the effects of the global economic and financial crisis. The country's economic output fell by 18% in 2009, more dramatically than in any other EU member state. The unemployment rate rose tremendously and in 2010 reached just under 20%.

In order to counter this development, Switzerland intends to provide around CHF 8 million for a microcredit programme. This project will make it easier for small-sized companies and self-employed workers to obtain microloans, which in turn should spur the creation of new jobs.



Project example:

Environmental awareness and corporate social responsibility in Poland

In the eastern EU member states, the principles of environmental awareness and corporate social responsibility have not yet been widely adopted. With a contribution of CHF 5 million, Switzerland seeks to improve this situation. Through pilot projects, approximately 100 small and medium-sized enterprises will be taking corresponding measures such as improving labour standards, fighting corruption, protecting the environment and making greater use of renewable energy sources. Publications and events will be used to draw attention to these pilot projects.



Priority theme: Human and social development



Switzerland has allocated CHF 242 million to projects relating to human and social development in EU-10 member states. The various areas of focus include vocational education and training (VET), research and scholarship programmes, health projects, support for civil society activities and partnerships. All projects that relate to this priority theme have already been approved in Cyprus and Malta, (see chapter entitled “Activities and results in 2010”).

Research and education

In Lithuania, Switzerland is spending CHF 9 million for research activities in an effort to make the country more economically competitive. Top-quality Swiss-Lithuanian research projects and joint scientific events on environmental, health and life sciences further this objective and lead to numerous scientific partnerships between both countries. In Hungary, a specific scholarship fund of 1 CHF million enables disadvantaged students to continue and/or complete their studies. A large number of research projects have also been approved in Hungary, covering diverse topics such as pain research, photochemical energy conversion, the manufacture of visual recognition devices for the blind and geochemical properties that may prove useful for nuclear waste repositories.

Healthcare system

In Estonia, Switzerland has contributed partial funding (CHF 350,000) for the purchase of two Swiss-manufactured medical devices that help children and adults with neurological disorders and injuries to walk more effectively. In Poland, Switzerland contributed CHF 4.5 million for a programme to prevent overweight and obesity within the Polish population. This objective should be reached through education measures relating to nutrition and exercise as well as through comprehensive treatment of overweight people. Pregnant women and schoolchildren are the main focus of this national programme.

Civil society and partnerships

In 2010, a total of CHF 18.7 million was spent in four countries – Slovenia, Czech Republic, Hungary and Lithuania – to establish funds to support the activities of non-governmental organisations (NGOs). These NGO funds are expected to strengthen civil society (see infobox on the following page). Moreover, a partnership fund worth CHF 3 million was established in Hungary. This partnership fund, which has also been used in other countries, helps deepen Swiss relations with partner countries and gives a local face to the enlargement contribution. The purpose of this partnership fund is to actively facilitate the mutually beneficial exchange of experiences. In addition to traditional municipal partnerships, the fund is also used to support partnership projects between NGOs, institutions, associations, schools, cultural centres and trade unions. In the Czech Republic, the partnership fund has existed since the end of 2009.



Project example:

Support for civil society

As part of Switzerland's contribution to EU enlargement, Switzerland has allocated funding to NGO funds, which are intended to help civil society become involved in the socio-economic development of the country. At the same time, NGO funds strengthen democratic grass-roots organisations that had been suppressed during the Soviet era.

Since the early 1990s, civil society in the new EU member states has experienced strong growth. Compared to the original EU member states, however, their influence is still rather moderate. Switzerland therefore contributes to NGO funds in the new EU member states, with the exception of Cyprus and Malta (see Table 1). These funds are all currently in the implementation or planning phase (Slovakia, Estonia). The planned NGO funds for Bulgaria and Romania are expected to receive approval in 2011.

Priority activities include those relating to the environment and social stability. In Slovenia, projects have been approved to develop environmentally friendly farming methods, encourage the use of public transport and promote volunteer work. Some of these projects will be carried out in partnership with Swiss NGOs, which will also derive benefits from these joint measures.

Table 1:
Contributions to NGO funds in selected EU member states

Poland	CHF	15,7 mln
Lithuania	CHF	5,6 mln
Czech Republic	CHF	5,0 mln
Hungary	CHF	5,0 mln
Slovakia	CHF	4,3 mln
Latvia	CHF	3,5 mln
Slovenia	CHF	3,2 mln
Estonia	CHF	2,5 mln
Bulgaria	ca. CHF	3,0 mln
Romania	ca. CHF	4,0 mln



Project example:

Modernisation of emergency call and ambulance service in Estonia

Switzerland provides funding for two complementary projects intended to optimise the technology used at the national response centre as well as in ambulance brigades in Estonia. Enhancements should make the emergency call system faster and more efficient. A total of 120 ambulances and 55 medical care facilities will be equipped with modern software, enabling the precise location of callers to be pinpointed. In combination with GPS systems installed in each ambulance, deployment can be quickly and efficiently planned. At present, persons in need are required to spend a considerable amount of time indicating their location to the national response centre. This location must

then be explained over the radio to ambulances, often with few landmark indications to go by. Switzerland's contribution to EU enlargement has helped to fund modernisation of the emergency call and ambulance system. In the future, this will lead to greater coordination and more efficient use of paramedics. Switzerland's contribution to these two projects totals CHF 3.3 million.



Switzerland's enlargement contribution – many benefits for Switzerland

Switzerland's enlargement contribution consolidates Swiss relations with partner countries at various levels.

Political level

EU enlargement contributes to greater stability, democracy, prosperity and peace in Europe. With its contribution, Switzerland helps to reduce social and economic disparities within the EU and shares in the costs of EU enlargement. As a result, social tensions and migration pressures are eased.

Switzerland's contribution to EU enlargement consolidates bilateral relations not only between Switzerland and the new EU member states, but also between Switzerland and the EU as a whole. Switzerland's contribution to EU enlargement is an important part of Swiss foreign policy in Europe and improves Switzerland's image abroad.

Economic level

EU enlargement has brought many benefits to Switzerland and offers considerable export and investment opportunities. Despite the collapse in economic growth caused by the economic and financial crisis in 2009, foreign trade with the twelve youngest EU member states was twice as high in 2010 than it was ten years ago. The trade balance is positive and direct investments more than doubled in the five years after the eastern enlargement 2004.

Switzerland's enlargement contribution improves visibility and therefore the opportunities that Swiss entrepreneurs have to take part in public calls for tender, particularly those issued through EU Structural Funds and the EU Cohesion Fund.

Switzerland has delegated some of the processing and assessment of project proposals to Swiss companies. By the end of 2010, the total value of these mandates stood at CHF 2.9 million. Project implementation will lead to numerous calls for tender, which will also be open to Swiss companies.

Partnership level

With its enlargement contribution, Switzerland establishes advisory and institutional partnerships between government authorities, non-profit organisations, trade associations, interest groups and social partners from Switzerland and partner countries. This cooperation encourages the exchange of knowledge and experiences and strengthens Switzerland's local presence. By the end of 2010, around CHF 110 million had been earmarked for the promotion of such partnerships.

Environmental level

Environmental pollution is not confined by national borders. Swiss projects help to rehabilitate contaminated sites, improve the quality of air and water and preserve biodiversity.

Outlook

In order for all projects in the EU-10 member states to be approved on schedule by June 2012, several challenges need to be overcome in 2011. First of all, Switzerland needs to process 71 project proposals that are currently in the preliminary approval stage and 110 project proposals that are in the definitive approval stage. Secondly, the number of projects reaching the implementation phase is increasing. Concrete results in individual projects will also need to become visible. This means that regular reporting, inspections and auditing of accounting records will continue to gain importance. In 2011, the first major calls for tender will be issued for the procurement of goods and services in relation to implemented projects. Switzerland will be carefully monitoring the awarding of contracts and making sure that goods and services are delivered in accordance with contractual obligations.

In Bulgaria and Romania, the main focus in 2011 will be the selection of projects. It is expected that most of the project proposals will be submitted by the end of 2011.

www.swiss-contribution.admin.ch

Additional information

Information regarding Switzerland's contribution to EU enlargement can be found on our Website in German, French, Italian and English. Provisionally approved project proposals can be found under the heading "Selection procedure", by clicking on the left navigation frame link "Planned projects". Definitively approved project proposals can be found in the project database under the heading "Projects". A link on the homepage will take you directly to public calls for tender for goods and services in partner countries.



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