

Federal Department of Foreign Affairs FDFA

Swiss Agency for Development and Cooperation SDC

Corporate Domain Regional Cooperation

## Seminar "E+I in fragile contexts", May 11, 2011 - Welcome address by Maya Tissafi

Good morning, welcome...

The seminar's topic "e+i in fragile contexts – private sector's role for effective development" is of upmost relevance for SDC. I am very glad you have chosen it for this year's public seminar of our SDC e+i network.

We all know that progress towards MDG achievement has been slowest in fragile and conflict-affected states. Wracked by conflict and violence, and hampered by weak institutional capacity, theses states face particular challenges for sustainable development. Fragile states account for close to a fifth of the population of low-income countries but more than one third of their poor. No fragile or conflict-affected country has yet achieved a single MDG.

That's why SDC has decided to work more in fragile contexts. SDC will propose this to the Swiss Parliament in its next overall strategy 2013- 2016 along with the request for fresh resources.

The goal of SDC's engagement in these contexts is to combat and overcome the vulnerability of the poor, the marginalised, those affected by violent conflicts, and victims of natural disasters. The poor are in general more likely to be victims of conflicts or natural disasters.

In the interest of justice, therefore, this group should receive more attention. And Switzerland, because of its neutrality/impartiality and humanitarian tradition – perception that is still strong in many parts of the world – is in a good position to do more.

We are aware that the cost to work in fragile contexts, in terms of security, collaboration efforts and to a certain extent the risks of such engagements are in general higher compared to our work in more stable situations. But they are justified if there are opportunities for SDC to generate improvements and positive change for the vulnerable segments of population.

One of these opportunities indeed presents the more adequate collaboration with private sector. It can play an important role in stabilisation and development in fragile contexts be it conflict-affected environments or post-conflict situations, or in the special case of natural disasters. In the past, private sector development measures have been scheduled after political institution building and humanitarian interventions.

However, systemic market development - that SDC promotes under the well-known Making Markets Work for the Poor (M4P) approach - suggests that private sector plays a key role already during crises-affected situations. In addition to targeting of economic needs like employment creation and provision of public services, the private sector can contribute to a wider peace building agenda.

Although much of the knowledge and good practice for e+i in more stable situations may remain important also in fragile contexts, other overriding principles become mandatory for success:

- The "do no harm" principle that refers to the unintended and negative and conflict fuelling side effects of aid.
- "Conflict sensitivity" that refers to the ability of an organisation to be able to analyse and understand the dynamics of the conflict in which it operates, to act and adapt its interventions to avoid negative impacts and maximise positive effects on conflict resolution and peace promotion. For this, SDC has developed the overall conflict sensitive programme management (CSPM) methodology, which is available here. More information about CSPM trainings and advice is provided by our network conflict and human rights. In the SDC Toolkit "Gender, conflict transformation and the psychosocial approach", we have also a brief on "e+i".

## In particular,

- in the mandatory analysis of the causes of fragility, the economic factors like socio-economic inequality, competition for natural resources or insufficient satisfaction of basic human needs have to be put in relation with political, social factors, security concerns and maybe other overarching external factors in order to provide well balanced conclusions.
- It may turn out, for instance, that e+i measures will work better if combined with psychosocial counselling (that can be built in skills development programmes),
- and, that the specific target groups SDC will work with are likely to be refugees, internally displaced people and victims of violence (among those unfortunately women and children are the most affected) or even ex-combatants.

All this requires additional knowledge and skills for SDC and its staff working in fragile contexts. I am convinced that today's seminar will contribute to the debate at national and international level, and add practical knowledge in order to shape SDC's employment and income strategies for these demanding contexts and hence prepare SDC for the future tasks and challenges.

With regard to the seminar's programme, let me share with you the following:

- Important for us has been to show real cases from our work in the field and if possible be presented by persons who are close to the actual implementation. Authenticity is important. So we have chosen examples from Occupied Palestinian Territories, Afghanistan, Nepal and Niger.

## Equally important for us is

- To reflect the typical market development framework (M4P) against other, broader, fragile contexts specific concepts and thinking
- and, last but not least, to have a mixed public of experts and practitioners with a wide range of experience, from Switzerland and international partner institutions, to have rich discussions and debates,

so that at the end of the day you may say: "it has been worthwhile to spend today in this seminar – it has been beneficial for my own work".

Already now, from my side, since I will not be able to spend the whole day with you, thank you very much for coming and contributing with all your expertise to the seminar. I do appreciate it very much.

Now, I wish you all an exciting day and hand over to our seminar's moderator, Ernst Bolliger from Agridea.

Berne, May 11th 2011