

International Humanitarian Cooperation and Development

Annual Report 2014



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Children are especially affected by poverty and economic underdevelopment. Winning picture of a photo competition in the Republic of Moldova, organised by the Liechtenstein Development Service (LED) in 2013

Editorial



Since the Earth Summit in Rio de Janeiro in 1992, sustainability has been a key component of the international development cooperation. However, Liechtenstein's work on behalf of sustainable development is not limited to international forums and organizations, but is also a key concern of the International Humanitarian Cooperation and Development (IHCD).

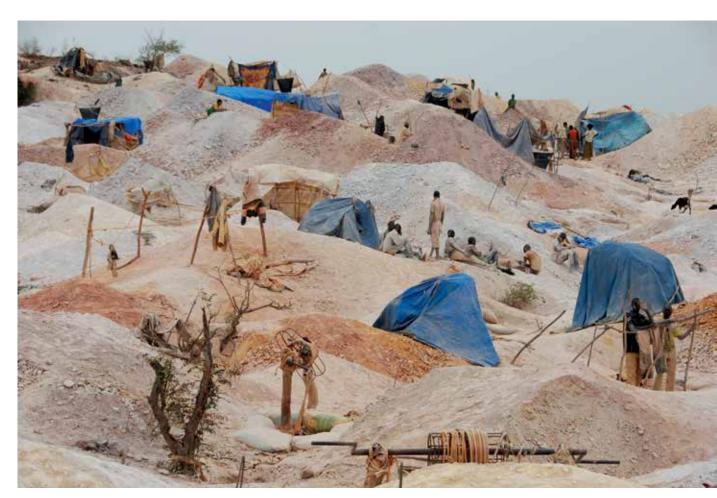
This report on IHCD activities in 2014 provides an overview of the current state of negotiations on the post-2015 development agenda at the United Nations. We also present selected projects and partner organizations that Liechtenstein has been supporting for years as a reliable partner. These examples show how we as a small country are making an important contribution in the field of development cooperation. Our work is appreciated not only by our project partners, but also by international organizations.

The value of Liechtenstein's international development work is expressed in the guest article by Phumzile Mlambo-Ngcuka, Executive Director of UN Women. She encourages Liechtenstein to continue its leadership role in promoting women's equality. Ms. Mlambo-Ngcuka further emphasizes that sustainable development can only be successful if it takes place at both the global and the national level. This is exactly what Liechtenstein aims to achieve through its multilateral engagement and its development cooperation.

I would like to thank everyone involved for their dedication over the past year and for their contributions to this report. I would also like to refer you to the IHCD website www.llv.li/ihze, where you can find current news and all the relevant background information.

I hope you enjoy reading this Annual Report.

Foreign Minister Aurelia Frick



The social and economic framework conditions need to be adjusted in order to achieve sustainable development. A project, supported by the Liechtenstein Development Service (LED), from Terre des homes in Burkina Faso offers education and protection against exploitation for children who are working in dangerous gold mines.

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Gender equality as a prerequisite for sustainable development

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As we work toward finalizing post-2015 sustainable development goals, gender equality and women's empowerment must be incorporated at all levels. We have yet to achieve gender equality in any country in the world. That is why every country – large or small, rich or poor – has the potential to effect change.

In order to achieve better outcomes for gender equality and women's rights, we need strong international development cooperation. The Millennium Development Goals (MDGs) set out by the United Nations in 2000 have played an important role in galvanizing attention and resources for gender equality and women's empowerment. We have seen positive results in the form of better laws to prevent gender discrimination as well as significant gains in girls' access to primary education. But we still have a long way to go. Today, around the globe: 35 per cent of women have experienced either intimate partner violence or non-partner sexual violence; around 800 women continue to die every day due to childbirth and other pregnancy related complications; women are more likely than men to have jobs that are characterized by poor pay and insecurity and only around one in five parliamentarians are women.

Millennium Development Goal 3, with its focus on women's empowerment, has been important for signalling gender equality as a global priority. However, the targets were narrowly framed and did not address several fundamental issues, such as the disproportionate share of unpaid care work carried out by women and girls, women's lack of access to assets and resources, women's low participation in decision-making at all levels, sexual and reproductive health and rights, and eliminating violence against women and girls.

Now, 15 years after framing the MDGs, we are moving into a new framework, with the proposal of 17 new Sustainable Development Goals (SDGs). Reaching these ambitious targets will mean a farewell to business-as-usual and recognition that our planet's limited resources will need to be shared, consumed and distributed in a fairer and more sustainable manner. That will mean transformation, for rich as well as for poor countries. To be transformative, the agenda must be universal and anchored in human rights. It must rebuild the structural foundations of gender inequality that continue to hold back progress, and bridge the stark gap between legislation and actual, substantive equality for women.

This year's 20-year review of the Beijing Declaration and Platform for Action identified five priority areas to accelerate progress towards gender equality in the post-2015 context: the transformation of discriminatory social norms and gender stereotypes; the transformation of the economy to achieve gender equality and sustainable development; ensuring the full and equal participation of women in decision-making at all levels; the significant increasing of investment in gender equality and the strengthening of the accountability for gender equality and the realization of the human rights of women and girls. More attention must also be paid to women and girls experiencing multiple forms of discrimination, and to the impact of economic crises, persistent conflict and of climate change on gender equality.

Phumzile Mlambo-Ngcuka Under-Secretary-General and Executive Director of UN Women



We know that gender equality is critical to effective development cooperation across all policy areas. The Busan Partnership for Effective Development Cooperation (2011) stresses the importance of alignment between gender equality policies that are part of development cooperation, and national commitments. We need to establish equal participation and the sharing of responsibility, so that development cooperation is transparent and accountable to all citizens, including women and girls.

UN Women provides support in monitoring progress based on the Busan Partnership's gender equality indicator, which measures the number of countries that track gender equality allocations and make them public. The indicator provides an important entry point to ensure greater accountability and transparency in achieving gender equality commitments and is included in UN Women's Strategic Plan. In 2014, UN Women together with OECD-Gendernet produced the first monitoring report on the indicator as part of the first progress report of the Global Partnership for Effective Development Cooperation. Out of 35 countries that reported, 12 currently have systems to track and make public allocations in support of gender equality.

In our increasingly multi-polar and inter-connected world, even a small state which may not possess "hard" power in the traditional sense can use its "smart" power to influence decisively. With its strategic connections, initiative and specific focus, Liechtenstein is one such state. It has shown this by strategically impacting international cooperation on the fundamental issues of human and women's rights, the rule of law, and peace and stability. In 2012, Liechtenstein was the first to ratify the amendment to the Rome Stature of the International Criminal Court on the crime of aggression. At UN Women we benefited greatly last year from the active participation of Liechtenstein on our Executive Board. Liechtenstein also contributed to an important joint statement on gender in the Financing for Development process during the first drafting session.

Liechtenstein, as a model of stability and neutrality, can act as a legitimate broker and set a convincing example for other states. I encourage Liechtenstein to continue its leadership in ensuring that gender equality and women's empowerment are solidly integrated into this year's crucial goals of financing developing, setting a new post-2015 agenda and adopting an international climate agreement.



UN Women

UN Women is the UN Organisation concerned with gender equality and the strengthening of women's rights. The Organisation was established in 2010 with the goal to be the primary agency for the protection of women and girls' rights. In 2014, Liechtenstein was a member of the executive board of UN Women.

The post-2015 development agenda

A new order in development policy

In the year 2000 at the Millennium Summit in New York, UN member states adopted the Millennium-Declaration, founding a new order in the international development policy. Liechtenstein also signed this Millennium Declaration and thus strengthened its commitment, together with the other UN member states, to combat poverty, promote peace, and dedicate itself to the protection of human rights and the environment. With the provisions of the Millennium Declaration, the UN Secretary-General thereafter presented the Millennium Development Goals (MDGs) as a tool for the most effective implementation of this new development policy. The MDGs contain eight concrete, easily communicable goals which should be achieved by September 2015, aiming at improving the living conditions of the poorest of society.



From the MDGs to the post-2015 development agenda

Since the establishment of the MDGs, improvements have been achieved in many areas of the development agenda. Despite many positive achievements, the MDGs also have certain shortcomings. The MDGs neglect certain regional and country-specific circumstances. Moreover, the average values formulated in the MDGs often convey an incorrect picture of the achievement of the MDGs. The focus of the MDGs is often too narrow; for instance, the third MDG on gender equality solely focuses on the education of girls. Furthermore, the lack of an effective review mechanism is seen as one of the main disadvantages of the MDGs. Nevertheless, the MDGs, until they are superseded by the SDGs, form the strategic reference framework for international development cooperation.

On the tenth anniversary of the MDGs, the UN Secretary-General was mandated to initiate a process for the improvement of the development agenda and the definition of concrete development policy guidelines for the time after 2015. At the intergovernmental level, states participating at the Rio+20 conference in June 2012 agreed to negotiate a new set of goals in a universal process. Between March 2013 and July 2014, the Open Working Group on Sustainable Development Goals (OWG), involving



Claudio Nardi Office for Foreign Affairs all relevant stakeholders, elaborated a draft for the SDGs. This SDG draft was ultimately negotiated at the intergovernmental level and adopted by the UN General Assembly. It comprises a preamble, 17 SDGs, and 169 targets.

Liechtenstein's priorities in the elaboration of the post-2015 development agenda

During the OWG negotiations, Liechtenstein actively advocated for the protection and promotion of human rights, gender equality, peaceful societies, and the rule of law, which Liechtenstein considers as basic conditions for sustainable development. Liechtenstein also used the experiences gained during its work on the UN Security Council's Women, Peace and Security agenda (WPS) and actively advocated for a target to strengthen women's leadership in conflict prevention. The broad consensus on the importance of gender equality can be considered an interim success in the SDG draft. Unfortunately, the call for equal participation in conflict prevention was only reflected in a watered down formulation in the SDG draft. Liechtenstein was also disappointed by the vehemence with which certain states sought to delete references to the rule of law in the SDG draft. By rejecting this issue in the SDGs, these countries hoped to avoid stricter conditions on the use of development aid. But compliance with minimum standards of the rule of law constitutes a basic precondition for private investments, which in turn makes up the largest part of development funding.

Contrary to the eight MDGs, the 17 SDGs and 169 targets are likely to be much more difficult to convey. On the basis of the SDG draft, the UN Secretary-General presented a synthesis report, which includes a proposal to cluster the SDGs with the intention to facilitate their communication to the general public. This report is also intended to enrich the discussion on the negotiations to finalize the SDGs. The SDGs are to be ceremoniously adopted by the UN member states at the post-2015 Summit in September 2015. Currently, a joint declaration – comparable to the Millennium Declaration – is being drafted at the final negotiations. This declaration will constitute the reference framework for the international development policy after September 2015.

In particular, Liechtenstein is advocating for a short and easy understandable declaration that assigns special importance to human rights and the rule of law. Liechtenstein also hopes that the declaration will include the full realization of equal political, social, and economic rights for women. Furthermore, the communicability of the SDGs is a stress test in the final negotiations. On the one hand, there are calls to simplify the SDGs and its many targets, while on the other hand, the fear is often expressed that a simplification of the SDGs might undermine the achievements of the SDG draft.

Another important issue in the final negotiations is the structuring of the SDG review mechanism. The global level of the mechanism has already been mandated to the High-level Political Forum for Sustainable Development (HLPF), which is replacing the UN Commission on Sustainable Development (CSD). With the universal participation of all UN member states and civil society, the HLPF is taking over the political

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leadership role in the implementation of sustainable development and the global voluntary review of the SDGs starting in 2016. With regard to the review of the SDGs, Liechtenstein continues to emphasize the need for an effective mechanism as well as simple reporting obligations. In this regard, Liechtenstein supports the proposal of the Secretary-General for a multi-stage structuring of the mechanism – at the national, regional, and global level – relying especially on existing reporting obligations.

A new order for the development policy through 2030 is within reach

It is already clear that the SDGs will define the new order of the international development agenda through 2030. The SDGs will not only have a direct impact on the UN and its member states, but also on non-governmental organizations and the private sector. For Liechtenstein, this means that the national IHCD strategy will also be guided by the SDGs. Initial talks with IHCD actors in Liechtenstein have shown that the SDGs are already compatible with their current development efforts. With regard to the national SDG review, it can be emphasized that large volumes of data – particularly in the field of human rights – are already available thanks to binding reporting obligations under international law. This is also true for the environmental sphere. Moreover, the Office of Statistics is already maintaining a national system of indicators for sustainable development, which delivers valuable information for Liechtenstein's future SDG reporting. Given this situation, it will certainly be possible for Liechtenstein to fulfil its reporting obligations without major additional effort. But what will be crucial to the success of the SDGs is the participation of all UN member states in this reporting process.

It should not be forgotten that the SDG negotiating process is not yet completed. For instance, elements of gender equality and the rule of law continue to be challenged and watered down in the negotiations. In order to uphold its reputation as a reliable partner in international development cooperation and in order to create added value, the Office for Foreign Affairs in close cooperation with the Permanent Mission of Liechtenstein at the UN in New York is advocating strongly for the incorporation of its priorities in the post-2015 development agenda. Whether and to what extent this is possible will be seen at the end of September.

Sustainable solutions for displaced people

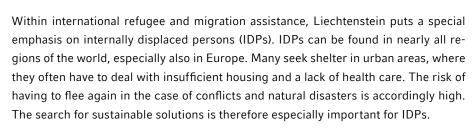
Panagiotis Potolidis-Beck Office for Foreign Affairs



Poverty, natural disasters, and armed conflicts are the most significant triggers of flight and migration worldwide. The very high number of ongoing conflicts such as the cruel and persistent civil war in Syria has increased the number of refugees and internally displaced persons to record levels. According to the most recent figures of the Office of the UN High Commissioner for Refugees (UNHCR), more than 51 million people were fleeing in 2013. This is the highest number of displaced persons ever registered. More than 33 million people were looking for shelter within the borders of their own countries. Nearly 17 million people left their home countries as refugees and sought protection abroad. This means that there are more internally displaced persons worldwide than refugees. In addition, there were more than one million asylum-seekers in 2013.

Due to the historically high numbers of displaced persons, flight and migration are increasingly in the global focus. Despite this, internally displaced persons are only rarely given sufficient media attention, even though their situation is often just as precarious. For many years, Liechtenstein has worked on behalf of sustainable solutions for displaced people, whether internally displaced persons or refugees. Special attention is paid to emergency situations that lack public awareness and thus are insufficiently funded.

Focus on internally displaced persons



Liechtenstein has for many years been one of the main donors of the Internal Displacement Monitoring Centre (IDMC), which deals with the situation of IDPs, gathers data and facts for that purpose, and makes recommendations to improve their situation. In addition to support in the form of a general contribution, Liechtenstein co-funded a report of the IDMC in 2013 and 2014 that analysed the worldwide situation of IDPs in urban areas through case studies. The report has been published in the meantime and contains various recommendations on how to provide sustainable help to IDPs in cities.

Since 2009, Liechtenstein has worked to sustainably improve the situation of internally displaced women in Afghanistan. In the Parwan region, Liechtenstein supported a project of the Refugee Education Trust (RET) to establish a school for women who have been displaced by conflicts in the recent past and therefore have to grow up without schooling. In the newly established school, about 80 young women are able to make up their education with the goal of creating a better starting point for the future. The project is planned to be concluded in 2015, and with it, school operations will be handed over to the local authorities.



Abandoned office building in Monrovia, housing urban internally displaced persons

12 | Proven partnership with UNHCR

For many years, UNHCR has been one of Liechtenstein's main partners in the field of refugee protection and the work on behalf of the rights of refugees. Liechtenstein supports UNHCR especially in regions where refugee flows have persisted over a long period of time and in which structural problems in dealing with refugees exist. Sustainable solutions for the affected refugees can only be found by overcoming those problems. Liechtenstein also concentrates on regions that are not in the public focus and are therefore largely ignored by other donors. In 2014, Liechtenstein made contributions to UNHCR's regional programmes in North and West Africa as well as its aid programme in Iraq.

Although West Africa is not currently in the focus of the international media, the situation in the region remains unstable. The region is characterized by uproar, armed conflicts, and uncertainty. This fragile situation was further aggravated by the outbreak of the Ebola epidemic. Depending on the situation, the UNHCR offers emergency assistance in West Africa in the form of protection and registration of refugees, food rations, shelter in camps, and basic medical care. Moreover, temporary schools are established and important infrastructures are repaired.

Similarly to West Africa, the countries of North Africa are also permanently affected by high migration flows. Many refugees and migrants from more southerly regions of Africa but also from Syria and Iraq make their way to North Africa, from where they travel across the Mediterranean to Europe. That region has seen a consistently high number of asylum-seekers for many years now. Although the situation has been extremely tense for a long time, no North African country has a functioning asylum system. One of the focus activities of UNHCR is to build up a functioning asylum system in the region so that refugees no longer have to embark on dangerous journeys to find protection. It is therefore especially important to incorporate the international standards into the national legal provisions. UNHCR also helps with shelter, medical care, education, and legal assistance, but also with access to vocational training and microcredits.

International refugee and migration assistance

International refugee and migration assistance follows a sustainable and comprehensive approach to manage the global refugee and migration problem and seeks worldwide protection for the rights of refugees, internally displaced persons, returnees, stateless persons and other persons abroad in need of international protection.

Giving peace a chance

Sustainable development for all of society in Bosnia and Herzegovina

Christian Blank Immigration and Passport Office



The legacy of the Yugoslav war is still very present in Bosnia and Herzegovina today, and even 20 years after the end of the war, those who caused the conflict are still very much entrenched in society. The ethnic divides also still exist, preventing or retarding social and economic development.

In this regard, Ustikolina, Novo Goražde, and Rudo – three ethnically mixed towns in the Upper Drina region of Bosnia and Herzegovina near the city of Goražde – are no exceptions. The entire region, through which the ethnic boundary between the Muslim-Croat Federation and the Serbian Republic is running, was hit hard by the war. Many people living in this region were displaced and often returned only years later to their home communities.

«To prevent a relapse into violence and to ensure sustainable peace, there needs to be a real effort to address the social divide that still exists between the various population groups in Bosnian society,» says Erich Ruppen, Programme Coordinator for the Western Balkans at Caritas Switzerland.

Liechtenstein's contribution to peace- and community-building

For the last four years, the Immigration and Passport Office supported a project focusing on the social reappraisal of the war years in the Srebrenica region, financed by the International Refugee and Migration Assistance. Since 2014, the focus was shifted to the Upper Drina region and the surroundings of the city of Goražde. There, Liechtenstein supports a project to promote peace- and community-building as well as agricultural development.

The mayor of the town of Rudo, Rato Rajek, says that these projects make a contribution to peaceful coexistence. They give the residents of the municipalities the opportunity to realize projects that improve their daily lives. The mayor of Novo Goražde is also convinced that the projects will bear fruit. In his view, the projects substantially increase the participation of the citizens of his municipality in political decision-making processes.

Contact and exchange at the interpersonal level

In order to continue the promotion of community building, there is a need for projects that facilitate regular exchanges among population groups as well as common action. Erich Ruppen of Caritas Switzerland is also convinced of this. According to his assessment, the current situation of latent conflict means that regular contact and exchange among population groups, both locally and across national borders, is the

best strategy for peace-building. For Caritas Switzerland, the goal of the project, which began in April 2014, is thus to improve relations among the ethnicities, to strengthen citizens' initiatives, and to ensure the active participation of local authorities.

First results are already visible

After only one year, in which each of the three municipality regions carried out one cycle of the citizens' initiatives, the first positive developments can already be seen, and the involved citizens have developed and implemented joint projects. Additionally, a training series was held to convey practical knowledge to strengthen community structures. Through these courses, participants came into contact with fellow citizens from other ethnicities and were able to change their personal conduct in a positive way. One course participant said that while everyone lives as neighbours in the same village, people tend not speak with each other. Everyone bears heavy burdens from the past, and he knows that they can never go back. «It will never be the same,» he says with certainty. But the project has still changed something in him. During the joint training courses and later in the projects, he was able to laugh with his neighbours. «We don't have to talk about the war or the current political situation. We can just laugh together.»

Zlatan Savic, Caritas Project Leader for Community Building, is convinced that the project will be successful, especially also in regard to the participation of women. He says that he is impressed by the changes between the first and the following meetings, because the number of female participants was always very small in the beginning. «This is the traditional approach in Bosnia; the man represents the family and discusses on behalf of his family.» Savic further explains that by selecting a women's association as the partner organization, the project was able to implement a gendersensitive approach. The atmosphere got more relaxed with each meeting. «And then you suddenly notice how important the women are for these towns and communities; and then they begin to contribute more and more to the project,» Project Leader Savic says with enthusiasm. Liechtenstein's contributions to the community- and peacebuilding projects as well as other regional projects on economic development supported by Caritas Switzerland and its partner organizations help make an effective and sustainable contribution to development while improving the living situation of the local population.

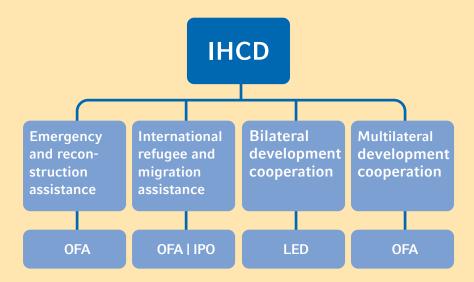


Community building through mixedethnic training on various topics, such as the preparation of project applications, the mobilization of local resources, leadership in community structures and communication skills

Liechtenstein's International Humanitarian Cooperation and Development (IHCD)

International Humanitarian Cooperation and Development (IHCD) covers all forms of humanitarian and development policy engagement by the State of Liechtenstein, including the Liechtenstein Development Service (LED).

IHCD works in four categories: Emergency and Reconstruction Assistance, International Refugee and Migration Assistance, Bilateral Development Cooperation, and Multilateral Development Cooperation. The responsible institutions are the Office for Foreign Affairs, the Immigration and Passport Office, and the Liechtenstein Development Service (LED).



Emergency and Reconstruction Assistance

Emergency and Reconstruction Assistance offers short-term, urgent assistance measures in the event of natural disasters, political crises, and armed conflicts. The focus is primarily on preserving human life and protecting the affected population. Additionally, the medium-term development of social structures and infrastructure is supported in order to facilitate a quick return to normal life. 10 % of the IHCD resources are earmarked for this area. The urgency of the situation is the main criterion for Emergency and Reconstruction Assistance. There are accordingly no geographic priorities. However, special attention is paid to emergency situations that are largely ignored and underfunded by the international community. Since 2011, Liechtenstein has been a member of the Good Humanitarian Donorship (GHD) group. This international initiative is dedicated to compliance with key principles of humanitarian engagement.

16 I International Refugee and Migration Assistance

International Refugee and Migration Assistance is based on a sustainable and comprehensive approach to dealing with global refugee and migration issues. This area also takes up 10 % of the IHCD budget. Bilateral activities focus on the Balkan countries. People in need of protection, including minorities, receive support for local integration and long-term improvement of their living conditions. As part of a holistic view of the migration issue, possibilities of circular migration, readmission agreements, and visa questions are also discussed. At the multilateral level, compliance with international legal, human rights, and humanitarian standards for refugees, internally displaced persons, returnees, stateless persons, and other persons in need of international protection is promoted.

Bilateral Development Cooperation

The largest pillar of IHCD is Bilateral Development Cooperation, which is the responsibility of the Liechtenstein Development Service (LED). For this purpose, LED receives about 65% of the overall resources each year, most of which is used for development projects with local partners (Southern partners) or partner organisations from Europe (Northern Partners). In Chişinău (Republic of Moldova), La Paz (Bolivia), and Harare (Zimbabwe), LED maintains its own local offices.

LED is currently engaged in ten priority countries. These are Moldova, Bolivia, Peru, Senegal, Mali, Burkina Faso, Niger, Mozambique, Zimbabwe, and Zambia. Thematically, LED focuses on the development of rural regions and education. Human rights, social justice, equal rights, climate and the protection of the environment and resources are important horizontal topics. Since the Food Security and Intercultural Bilangual Education concepts and the Microfinance directive were adopted, these areas have been given greater consideration.

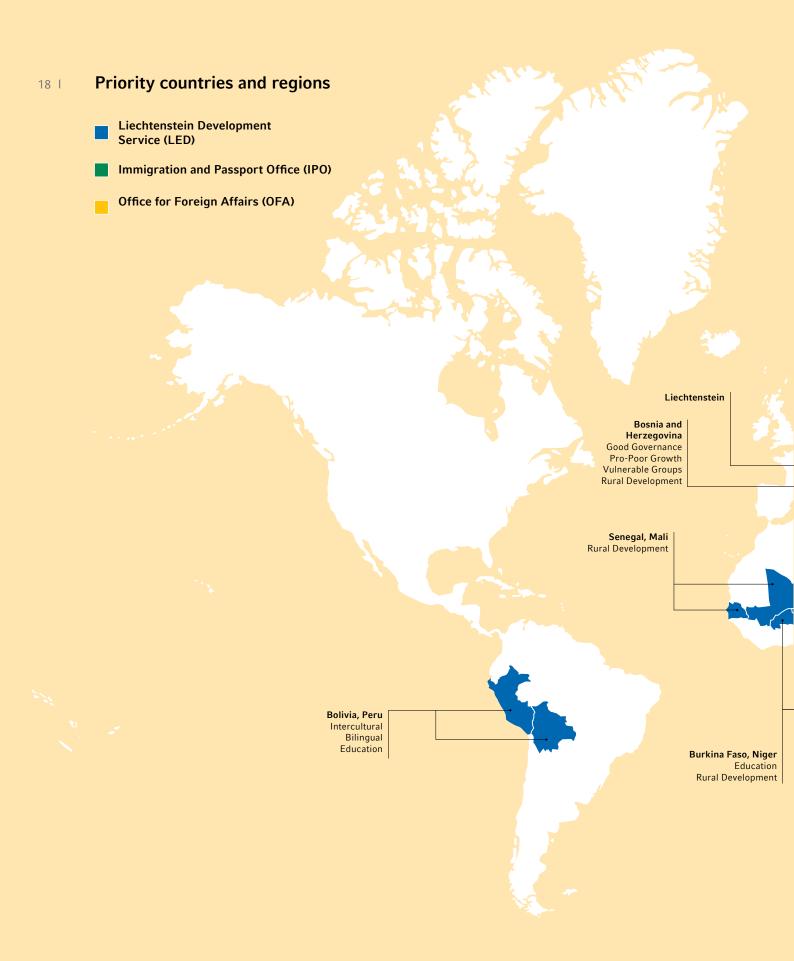
LED funds placements of persons from Liechtenstein to development projects managed by other organizations, and it arranges internships. Further fields of its work are public relations and awareness raising through publications, exhibitions and educational work in public schools.

The cooperation between the Liechtenstein Government and LED, a foundation under private law, is governed by an owner's strategy, which is supplemented and further specified each year by performance mandates. The LED foundation council decides on individual projects.

Multilateral Development Cooperation

Multilateral Development Cooperation is used to fund projects of international organizations or internationally operating non-governmental organizations. This type of engagement is useful especially for problems of a global or cross-border nature where the international community jointly seeks solutions. In contrast to LED projects, which act mainly at the local level, this track can also be used to improve national and international framework conditions.

Special attention is paid to fostering good governance. This includes advocacy for human rights, strengthening the rule of law and democracy, and combating international crime. Key priorities of Liechtenstein's foreign policy, especially in the area of human rights, are additionally promoted in this way as part of IHCD, which in turn underscores Liechtenstein's credibility. Of note in this regard is for instance Liechtenstein's advocacy of better inclusion of women in peace-building processes and the protection of children in armed conflict. Other priorities are health and the fight against HIV/AIDS as well as the environment and sustainable development. In this last priority area, Liechtenstein as an Alpine country is dedicated especially to development in mountain regions, primarily in the Caucasus. 10 % of the IHCD budget is available for Multilateral Development Cooperation.

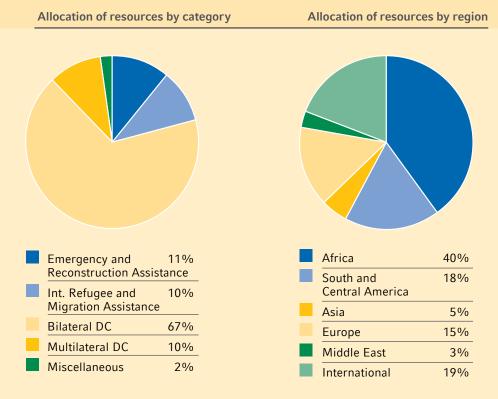




IHCD 2014 in figures

20 | Expenditures and allocation of resources

In 2014, the State of Liechtenstein expended a total of 23.7 million francs on International Humanitarian Cooperation and Development (IHCD). About two thirds of these resources were spent on Bilateral Development Cooperation. About 10 % of the total budget was expended on each of the other categories.



Priority countries and regions

By far the largest share of Liechtenstein IHCD resources goes to Africa. In 2014, the share was 40%. This especially illustrates the prioritization of Africa by LED, but is also an expression of the numerous armed conflicts and food crises on that continent, often requiring the deployment of emergency funds.

Support is also needed in Europe. About 15 % of the budget was used for projects in the Balkans and the poorest country in Europe, Moldova. In the Balkan countries, especially Kosovo, Bosnia and Herzegovina, and Macedonia, the Immigration and Passport Office is engaged in International Refugee and Migration Assistance. Moldova has been a priority country of LED for several years.

In Latin America, LED's activities focus on Bolivia and Peru (in total 18 % of the resources).

Liechtenstein's engagement in Asia has fallen to 5 % of IHCD funds. This is due especially to LED's exit from the former priority countries of Afghanistan and Kyrgyzstan.

Due to the Syria conflict, the share of projects in the Middle East has risen to 3%.

About 19 % of resources were not allocated to specific projects or were invested in transnational programmes. These contributions – listed under «International» – are essential for supporting cross-border activities or underfunded programmes and for covering the basic costs of development organizations.

22 | ODA development

Official development assistance (ODA) encompasses all disbursements of a state for development cooperation and humanitarian assistance according to the criteria of the Organisation for Economic Co-operation and Development (OECD). To compare ODA among states, a ratio is commonly used to measure ODA as a percentage of the gross national income (GNI) of a state.

ODA expenditures according to the following table



The international ODA target is 0.7%. The Liechtenstein Government repeatedly underscored its commitment to achieving this target as soon as possible. The current available ODA percentage for 2012 is 0.75%. This means that Liechtenstein is one of the few countries that have reached the international target and that it ranks fifth worldwide.

Total ODA expenditures, including the disaster fund of the municipalities and the costs for taking care of asylum-seekers in Liechtenstein, amounted to 25.0 million francs in 2014. The definite GNI for the reporting year – and accordingly also the ODA percentage for 2014 – will be available only in autumn 2016.

A drop in the bucket

Manuel Frick Office for Foreign Affairs



Liechtenstein's support for Syria and its neighbouring states

The most urgent goal of humanitarian assistance is the protection of human life. Sustainability is not the decisive criterion. Sustainable development is largely impossible in areas affected by armed conflicts. But all humanitarian measures should be seen as elementary prerequisites for sustainable improvement of living conditions. Within the framework of Liechtenstein's emergency and reconstruction assistance, medium-term projects are also realized, with the aim of building up social structures and infrastructure. This often facilitates a way back from misery to an orderly life.

The world is in crisis

From a humanitarian perspective, 2014 was an extraordinarily difficult year. Readers might still vividly recall the Ebola outbreak in several West African countries. Moreover, the humanitarian situation in Ukraine – in our front yard, so to speak – is escalating dramatically. The United Nations assigned its highest humanitarian emergency level to Syria as well as Iraq, South Sudan, and the Central African Republic, declaring the four crises to be Level 3 emergencies. In 2014, Liechtenstein supported projects in all of these four contexts. In addition to these humanitarian crises, there is great need in many other places as well. As an example of Liechtenstein's work, the following sections will take a closer look at Syria and its neighbouring states.

Between Assad and IS

Without a doubt, the conflict in Syria is currently one of the greatest humanitarian challenges. UN High Commissioner for Refugees António Guterres speaks of the worst humanitarian crisis of the present era and a nightmare situation. Since 2011, the Syrian population has been suffering under the civil war. In addition, both Syria and Iraq are also exposed to the IS extremists. Their inhumane cruelty knows no bounds. The recent report of the Syrian Centre for Policy Research (SCPR) paints a gloomy picture: Between 2010 and 2014, the life expectancy of new-born children in Syria fell by nearly 24 years – from 79.5 to 55.7 years. 6% of the population was killed or injured during that period. About 5.5 million Syrians have left their home country – nearly 4 million of them as refugees. Additionally, more than 6 million Syrians are internally displaced within their own country. The economic situation in Syria is catastrophic. Nearly two thirds of the population live in abject poverty. Half of school-age children have not attended any school in the past three years. Despite the catastrophic situation, the international willingness to help has been diminishing. By the end of 2014, the UN was only able to obtain about half of the aid money needed.

Emergency and reconstruction assistance

Emergency and reconstruction assistance provides short-term and urgent preventive and aid measures to preserve human life and to alleviate the consequences of natural disasters, political crises and armed conflicts. It also includes the medium-term development of social structures and infrastructure in regions affected by disasters, political crises and armed conflicts.

24 | Liechtenstein's contribution for Syria

In 2014, the Liechtenstein Government decided to receive a total of five Syrian refugee families in Liechtenstein. With this relocation measure, Liechtenstein is showing international solidarity and is also making its contribution within Europe. Alongside this decision, Liechtenstein's emergency and reconstruction assistance has supported projects in Syria and its neighbouring states with more than 1 million Swiss francs since the outbreak of the crisis, thus providing assistance directly on site.

Efforts on behalf of Syrian refugee children in Jordan

At the end of 2014, more than 600,000 Syrian refugees were registered with the UN High Commissioner for Refugees in Jordan. More than half of these refugees were under 18. A quick return cannot be expected, given the persistence of the conflict. This is an enormous burden on the Jordanian school system and is resulting in a dramatic lack of schooling. Although Syrian refugee children have free access to Jordanian schools, many are turned back because there is a lack of space and infrastructure. Already in 2012, the Jordanian government appealed to the international community and asked for assistance. In 2014, for the third year in a row, Liechtenstein co-funded a project of the Swiss Agency for Development and Cooperation (SDC) for Syrian refugee children in Jordan. This project refurbishes schools in Jordan and facilitates equal access to education for both refugee and local children. With the help of Liechtenstein's contribution, 5,500 pupils were supported last year. These are significantly more than there are school children at all public and private schools in Liechtenstein. In addition to the improvement of school infrastructure, pupils also received urgently needed school materials.



Education for Syrian and Jordanian children in a school in Mafraq, Jordania, refurbished with financial support from Liechtenstein

Are the efforts worth it?

In light of the worldwide humanitarian need, Liechtenstein's contribution is a drop in the bucket. But this fact should not be used as an argument for inaction. As the example of Jordan shows, Liechtenstein is very well able to improve the living conditions of thousands of people. Every individual fate should strengthen humanitarian efforts.

Development cooperation in the service of global sustainability

Peter Ritter Director of the Liechtenstein Development Service (LED)



In recent years, the work of the Liechtenstein Development Service (LED) has also been measured by the contribution of its projects towards reaching the Millennium Development Goals (MDGs). Despite justified criticism, the concrete targets of the MDGs have helped focus development cooperation by establishing clear goals to guide the efforts of the numerous globally active institutions. As a result, respectable results have been achieved in some areas. Other areas, such as agricultural development, have been neglected due to their limitation to eight goals. The demands on the Sustainable Development Goals (SDGs) are high, given that universal sustainable development contains enormous challenges. The catalogue of goals will be expanded, and the targets must be defined in an ambitious way.

Sustainability is a comprehensive concept and must be applied at all levels in order to have an holistic impact. The social, economic, and ecological aspects of sustainability are reflected in the strategic goals of the LED.

Orientation of the LED's project work

As part of Liechtenstein's IHCD, the LED assumes responsibility for the bilateral development cooperation. As a private foundation of the State of Liechtenstein and civil society, the LED is a public enterprise that is given (development) policy, economic and social targets in the form of a Government ownership strategy as a framework for its work. The LED's mandate includes fulfilling part of Liechtenstein's duties arising from international solidarity. The project work should have a socially balanced and ecologically supportable impact as well as making sustainable use of resources.

A service agreement is concluded each year between the Government and the LED, containing detailed requirements. 91% of LED's financial resources are used for development projects. They are selected according to substantive and geographical criteria. The protection of human rights, gender and social justice, the environment, climate and the protection of resources are horizontal topics, considered in all projects. The LED works in the four regions of Eastern Europe, Latin America, West Africa, and Southern Africa. In each priority country, specific substantive requirements apply. In the Republic of Moldova, these are education projects with a focus on vocational training. In Bolivia and Peru, most of the projects are guided by the strategy for intercultural bilingual education. In the seven African priority countries, the projects aim at education and rural development with a focus on the strategy for food security. Additionally, microfinance and some projects with an international impact are realized.

In Bolivia, Peru, Moldova, and Zimbabwe, the LED primarily works together with local partner organizations («Southern partners»). In Moldova, the LED implements its own projects in vocational training and cooperates directly with the national educational institutions.

Bilateral development cooperation

Bilateral development cooperation concentrates on education and rural development in 10 priority countries. Bilateral development cooperation is carried out by the Liechtenstein Development Service (LED), a foundation under private law, on the basis of a service agreement with the Liechtenstein Government. Human rights, social justice and gender equality, climate, environmental and resource protection are important horizontal topics.

The requirements arising from the horizontal topics and the aforementioned substantive and geographical criteria are used to evaluate the projects. For each project application, a brief report is prepared, to which considerable attention is paid during the decision-making process. In this brief report, each project is evaluated with respect to its compatibility with the requirements. The expected sustainable impact of a project is thus already illuminated during the application process.

In addition to the impact of the project activities, LED attaches great importance to the institutional sustainability of the projects. The coherence with national efforts and a project's suitability to local conditions are important prerequisites for achieving a long-term impact that goes beyond the official period of support. The selection of the partner organization and that organization's network in the regional, national, and international context also influence the sustainability of a project. The inclusion of the target population in the planning and implementation of activities as well as the verification of their results are also promoted.

For projects that are funded by partner organizations from Europe («Northern partners»), the overall responsibility remains with these organizations. By selecting experienced partners and thanks to the usually long-term cooperation, the LED's goals are incorporated into these projects. In cooperation projects with Southern partners, the LED's initiative is more significant. The LED's coordination offices in Bolivia, Moldova, and Zimbabwe, grant a close contact with the partners, facilitating permanent exchanges and mutual trust.

Some examples from the LED's project portfolio illustrate the successes and challenges involved in the joint sustainability efforts.

Women's cooperatives in the Bolivian construction industry

In the suburbs of the city of Cochabamba in Bolivia, the LED has supported a project on cooperatives in the construction industry since 2009, headed by the local partner organization PROCASHA. PROCASHA was founded in 2001 with the goal of improving the living situation of the migrating population. The target group of the project consists of women who migrated to the city with their families and live in difficult circumstances. They are encouraged to form cooperatives with other women from their neighbourhoods. In a first step, they learn the various activities relating to the construction and renovation of private housing. They change their own living situation and learn about the conditions of intercultural coexistence in the participating neighbourhoods. In a second step, the cooperatives perform jobs assigned by third parties to generate income for the women. Better living conditions of families have a positive impact on their social life and increase the self esteem of those concerned. Additionally, the women are trained in labour law and the management of small enterprises. So far, 610 women have participated in the project activities, and ten construction cooperatives are active as private-sector service providers. Thereby, the project makes a contribution to combating poverty and improves the living conditions and opportunities on the labour market.



Bolivian women take their fate into their own hands.

The institutional sustainability of the project is ensured at several levels: The cooperatives are registered, they work profitably and beyond the duration of the project support. The individual members generate regular income. PROCASHA has concluded a cooperation agreement with the department of architecture at the local university. The university supports the professional training and the women receive diplomas. The project gets further personal and financial support from several European organizations. Finally, the city administration of Cochabamba welcomes the infrastructure improvements in the marginal areas of the city and supports the work of the women in the cooperatives.

Sustainable improvement of the vocational training system in Moldova

Vocational training in the Republic of Moldova is outdated and unable to prepare young people for their working life. Vocational schools thus have a bad reputation. Students only attend these schools if they have no other alternative. Accordingly, the share of students from socially or economically weak families is high, as is the share of students from institutional homes. When visiting vocational schools in Moldova, one encounters poorly equipped classrooms in which instructors dictate from old textbooks. The workshops, in which the practical instructions take place, are in no better shape. They are lacking both equipment and supplies.



Vocational teachers at the Technical University of Chişinău receive specialized training.

To remedy these weaknesses and improve education, LED has elaborated the CONSEPT vocational training project. Since 2007, it has implemented this project in direct cooperation with the national educational institutions. The project consists of an entire package of support measures:

- Development of new curricula: The existing programmes no longer meet the needs of the labour market. Therefore, new curricula are developed together with businesses.
- Procurement of new teaching materials: Because teaching material for the training programmes has been scarce, a wide range of materials is being developed together with experts. The spectrum ranges from textbooks to instructional videos.
- Better equipped workshops: Until now, training programmes have often been too theoretical. In order to give practical work more weight in vocational training, adequately equipped workshops are necessary. The schools are therefore receiving material support and in some cases new infrastructure.
- Better teaching: New curricula, new teaching materials, and new equipment can only have an impact if teachers and trainers know how to use them properly. For this reason, pedagogical and technical training of instructors is a key component of the project.
- Better school management: The quality education heavily depends on the quality of school management, especially because the hierarchies in the schools are very rigid.

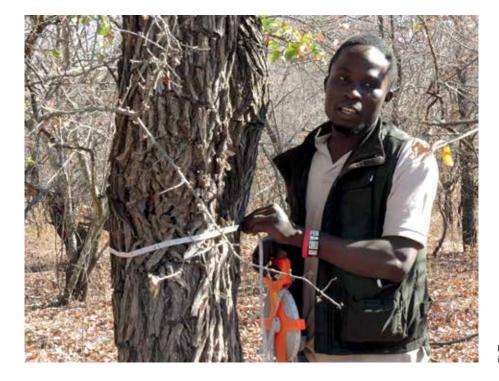
The LED deliberately does not establish model schools. Instead, the public schools are supported and expanded. Working with state structures requires considerable time and effort. Changes can only be achieved in collaboration with the school management and the Ministry of Education. But this approach is considerably more sustainable. The public authorities and the schools support the decisions, and they are never deprived of their own responsibility. The operation of schools (teacher salaries, supplies, etc.) is funded by the state. This ensures that the improvements will continue after the end of the project. Therefore, LED does not conduct its own training of vocational school teachers. Instead, it has introduced a national training structure: In extensive seminars, the training centre of the Technical University in Chişinău has been strengthened. The knowledge and skills acquired can now be passed on from the trainers to the teachers in the partner schools.

The numerous implementation measures of the CONSEPT project are co-sponsored by the Ministry of Education and lead to lasting changes to the national vocational training system. They help to improve the perspectives of young people in Moldova.

Climate protection through sustainable forest and resource management in Zimbabwe

The key question in the global sustainability debate concerns the impact of climate change and possible strategies to mitigate global warming and adapt to the changing conditions. This discussion is especially relevant to developing countries, since they are often hit hardest by the consequences of rising temperatures. One strategy to delay climate change is to reduce the carbon dioxide (CO₂) concentration in the atmosphere, which is a principal cause of global warming. Forests are ideal for carbon storage, because they absorb CO₂ and convert it into oxygen. As part of climate finance, Liechtenstein has approved an additional fund to support CO₂ reduction projects. Between 2011 and 2014, LED has submitted five projects financed through this fund.

One of the approved climate projects is a forest and resource protection project in Zimbabwe, which LED is carrying out with its long-time local partner organization SAFIRE (Southern Alliance for Indigenous Resources). Zimbabwe has extensive forest areas, but due to the difficult economic and political situation, they are affected by heavy deforestation. Between 1990 and 2010, Zimbabwe lost about 30 % of its forest resources. The project starts with the protection of existing forests and, together with the local population, seeks measures to preserve the natural resources. Additionally, environmentally friendly forms of agriculture and alternative income possibilities for local communities are introduced, in order to reduce the incentive to engage in deforestation or to damage the forest through overgrazing. An inventory is being compiled of the communally managed forest area; at about 36,000 hectares, it is about twice the size of Liechtenstein. The biomass and the growth of the trees as carbon sinks are assessed and measured. Project workers train individuals from the communities in the assessment methods relating to CO₂-storage. The population gets directly involved in the project through awareness raising and joint activities, such as planting tree nurseries and various fruit and timber trees.



Measuring the CO₂-storage in the forest

To ensure the sustainability of this project, it is crucial to include the local population and especially also decision-makers. At the outset, the project plans were discussed and examined with the representatives of the district authorities, the communities, and the traditional leadership structures. The project could only begin after their approval and the clarification of all legal and institutional questions. The inhabitants of the 53 villages were also included in the data collection, and they were surveyed on the greatest challenges relating to the climate. The activities were planned in accordance with the population's statements and adjusted to their priorities and needs. Only in that way can the project continue to be supported by the population in the future.

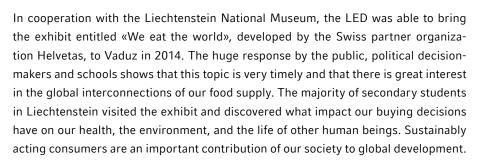
At the national and international level, this project can be certified and traded according to the REDD+ mechanism: REDD (Reducing Emissions from Deforestation and Forest Degradation) has been expanded by REDD+ and now includes sustainable forms of forest management in addition to preservation of the forest as well as expansion of the forest as a carbon storage in developing countries. Since 2005, this concept has been discussed in the negotiations on the United Nations Framework Convention on Climate Change (UNFCCC), in order to make the protection of forests as carbon storages and CO_2 reductions financially attractive. By embedding the project in the international regulatory framework, regular reviews also contribute to its sustainable continuation.

Sustainable public relations and education work

The LED uses an average of 1% of its budget for public relations, for raising the awareness of people in Liechtenstein, and for education work at schools.

Sustainability aspects are very important in public relations as well. On the one hand, the goal is to inform the Liechtenstein population about the activities of the LED and its impact all around the world, which the LED carries out on behalf of the country and ultimately also on behalf of the population. This enhances Liechtenstein's image as a country that shows solidarity with the disadvantaged and the general welfare of the world, and it enhances the LED's image as well. Public relations shape the understanding for the need to continue this duty of solidarity and to strengthen the efforts in light of the challenges.

On the other hand, more far-reaching interests motivate this work, given that sustainable development also necessitates changes at home. Progress in combating poverty in the South is enhanced by sustainable changes to the lifestyles of people in the North. Dealing with limited resources and the impact of human activities on the climate are global challenges.



The realization is clear: Universal, sustainable development cannot be reduced to partial contents and geographical areas. It must take into account the future costs of present actions. Short-term particular interests must be ignored in order to achieve common welfare for all human beings. The consequences probably include abandoning the idea of material welfare for everyone and perpetual growth of the economy. As part of the global activities of human beings, development cooperation will make its modest contribution to overcoming the challenges and to identifying sustainable solutions.



The exhibition «We eat the world» was a special culinary trip around the world. It illuminated all facets of eating, food production and trade, pleasure and business, hunger and excess.

Long-term commitment stands the test

Making efficient use of available resources

In its multilateral development cooperation, Liechtenstein is primarily committed to protect and advance human rights, good governance, and lasting peace. The principal focus is on projects with a relative high proportion of contributions made by Liechtenstein, allowing Liechtenstein the highest possible say and therefore ensuring the visibility of Liechtenstein's involvement. Liechtenstein thus prefers long-term cooperation with selected partners.



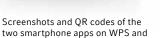
Claudio Nardi Office for Foreign Affairs

For Liechtenstein it is imperative to contribute its expertise to selected projects and at the same time to use insights from these projects in the best possible way for its foreign policy work, such as in the development of the SDGs. Through the continuous reporting by partners, project progress is made visible and provides very good insights of the appropriate use of resources. This information is also significant for Liechtenstein's foreign policy work at all levels.

Strengthening the international human rights system

In the field of international human rights policy, Liechtenstein has established an independent and visible profile in recent decades. Alongside its thematic priorities women's rights, children's rights, combating torture and the death penalty as well as combating impunity - Liechtenstein's commitment in the multilateral development cooperation also aims to strengthen the Office of the UN High Commissioner for Human Rights (OHCHR). This commitment is particularly reflected in financial terms. Liechtenstein is by far the largest per capita contributor to the Office of the High Commissioner which is the central coordination office for the advancement of the UN human rights system. Furthermore, Liechtenstein supports several NGOs which are dedicated to Liechtenstein's thematic priorities in UN human rights bodies in Geneva and New York. These highly specialized NGOs are actively advocating on strengthening their thematic focus areas. Thanks to their networks, they are able to obtain reliable information from the field very rapidly and employ this information into the UN human rights system. Moreover, these NGOs provide useful information and publications on current human rights issues. Liechtenstein's diplomatic missions also make good use of these services.





CAAC, co-financed by Liechtenstein.

Good governance as a precondition for sustainable development

Within the framework of the multilateral development cooperation, Liechtenstein participates in projects relating to good governance, which is considered a precondition for sustainable development. Since 2009, for instance, Liechtenstein has supported a project of the Organization for Security and Co-operation in Europe (OSCE) that reviews national legislations with the objective of ensuring good governance within the member states. These legal expertise indicate, on a voluntary basis, shortcomings in national legislation as well as efficient implementation options. In the course of these reviews, the OSCE works closely together with the Council of Europe, which provides legal advice on constitutional questions, especially in Eastern European countries. Another important aspect to strengthen good governance consists in legislative and structural reforms to combat small-scale corruption. This form of corruption disproportionally affects the poorest groups of society in their right to access basic services guaranteed by the state. Since 2009, Liechtenstein has supported the UN Development Programme's thematic programme on anti-corruption. Along with Australia and Norway, Liechtenstein is one of the main donors to this programme and is an observer of its steering committee. Liechtenstein benefits of its observer status to also draw attention to the interrelationship between sustainable development and corruption.





No sustainable development without peace

Lasting peace and peaceful societies are considered as basic prerequisites for sustainable development. Therefore, Liechtenstein places particular emphasis on its dedication for the implementation of the UN Security Council agendas on Women, Peace and Security (WPS) and Children and Armed Conflict (CAAC). To strengthen these agendas in the field, Liechtenstein financially supports the NGO Geneva Call, which urges non-state armed groups to comply with international humanitarian law and international human rights standards. Liechtenstein funds two specific projects which promote dialogue with about 60 groups on the topics of child soldiers and sexual violence. Liechtenstein also supports the HD Centre, an NGO which mediates as a neutral partner in peace processes and promotes the inclusion of women in peace-building processes. The goal is to prepare practical guidelines to better implement the UN Security Council's WPS agenda. Liechtenstein also supports the updating and further development of two smartphone apps. These apps are designed to facilitate access to UN documents in the fields of WPS and CAAC and to serve as a source of information for diplomats and representatives of civil society.

Multilateral development cooperation

Multilateral development cooperation addresses problems that, due to their complexity, political sensitivity, or global or cross-border relevance, necessitate the joint engagement of countries, peoples and organisations.

Closing words

The projects supported by Liechtenstein and presented in this publication show that even a small country is able to substantially improve the living conditions of thousands of people. Although the budget of the International Humanitarian Cooperation and Development (IHCD) is small, compared to those of other countries in absolute terms, its focus on niche projects allows it to achieve a considerable impact.



But the Annual Report also shows that many regions around the world continue to rely on help. The number of refugees and especially internally displaced persons has reached historic records; the population of many countries in the Middle East but also in other parts of the world is suffering from armed conflicts.

Despite these developments, there are reasons for hope. The peace- and community-building project in Bosnia and Herzegovina is proof that communities separated by war can approach each other and work together. The current concluding negotiations on the Sustainable Development Goals and the post-2015 development agenda offer an opportunity to sustainably improve the living conditions of many people around the world.

Liechtenstein is not only a privileged country, but also an active country that takes its responsibility seriously and works at all levels on behalf of sustainable development.



The negotiation of the Sustainable Development Goals poses a great opportunity to improve the living conditions of future generations.

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