

**Swiss-Serbian Bilateral Relations**  
**Intervention of Jean-Daniel Ruch, Ambassador of Switzerland**  
**Swiss-Serbian Chamber of Commerce, Belgrade, 30 October 2014**

**A reliable partner**

Switzerland has proven to be a reliable partner of Serbia over the past decades:

- Through its cooperation program, Switzerland has provided 300 million Euros of taxpayers' money since 1991. This money was invested in development programs and in humanitarian assistance. The overarching objective of these investments is to foster the European integration of Serbia.
- Swiss companies have invested over 500 million Euros over the past 10 years. What is remarkable is the diversity of the Swiss presence in Serbia. Along with major multinational companies, a vast number of SMEs are doing business here. Almost 200 companies are registered with the Swiss Embassy.
- Switzerland and Serbia also enjoy intense diplomatic and political relations. The two governments have decided to coordinate their consecutive OSCE chairmanships. Almost daily exchanges are taking place to discuss the challenges European security is confronted with, in particular Ukraine. This cooperation will continue in 2015, under Serbian chairmanship, as Switzerland, which will remain a member of the Troika, will stay committed.
- The visit of President Burkhalter in April, and the inauguration of the Swiss-Serbian Chamber of Commerce jointly by the Swiss President and the Serbian Prime Minister have been perfect illustrations of the excellent and close relationships between our two countries.

**A partnership with emotions**

Relations between governments, just like business relations, are significant, but small parts of the vast array of relationships linking our two countries. At the beginning of all, there are human beings. The 200'000 persons living in Switzerland who have relatives or property in Serbia are the flesh and bones of the Swiss-Serbian relation.

The intense emotional connections between our two societies came strongly to the fore during last spring's dramatic floods. As the CEO of a major Swiss company said at the time: *"We have many collaborators coming from the region affected by the floods. We all have colleagues, friends, neighbours coming from Serbia and Bosnia and Herzegovina. It is therefore only natural that we help the regions affected by this disaster."* Indeed, private donations to the recovery after the floods have amounted to at least 2 million Euros. Many of you have contributed as well, and I wish to thank

you for that. The Swiss government is the main donor after the EU, with a pledged amount of almost 6 million Euros for Serbia, and as much for Bosnia and Herzegovina.

Whereas approximately 70'000 persons with a Serbian passport reside in Switzerland, it is estimated that close to 200'000 persons living there consider themselves as Serbs. Most of them feel close to their relatives and take great interest – and sometimes pain - in supporting them. Estimates of the remittances transferred every year from Switzerland to Serbia vary between 300 and 600 million Euros. The lower estimate is already 6 times more than all Swiss companies' investments in an average year. It is equivalent to the total public development assistance since 1991! One can ask whether some of this private funds transferred in the form of remittances could not be diverted to some forms of productive investments, creating jobs and wealth. Indeed, most of the remittances now are flowing purely into consumption and hardly contribute to the recovery of the Serbian economy.

Personal ties are emotional ties. It is no surprise then that culture follows. Almost every week, the Embassy is in contact with Swiss filmmakers, musicians, painters, dancers, young designers or other artists and performers wishing to show their art in Belgrade. There is at times a diaspora dimension, but often not, and I might even say more and more often not. Belgrade has become a European magnet for culture per se.

To name just a few: Swiss artists were prominent at the Belgrade dance festival, at the Mikser festival, recently at the Belgrade design week. A promising Swiss architect, Christian Kerez, even received the design week award. This is the kind of art which is shaping the future. Through Pro Helvetia, through our small funds, we promote cultural exchanges. They inject creativity and dynamics into Serbia. We are grateful that many of you share our vision, as can be seen through your sponsorships.

### **A partnership for the future**

The creation of the Swiss- Serbian Chamber of Commerce is a powerful sign that the Swiss business community believes in the future of Serbia. The Swiss Government has also demonstrated its commitment to this country not just by renewing its cooperation strategy for the four years to come, but even by increasing its envelope by 20% to 75 million. In times of budget austerity, this does mean a lot.

Thanks to the wisdom and hard work of our forefathers, thanks to luck also probably, Swiss people have managed to go through most European or world crises with limited damage. A recent book by two economists, Daron Acemoglu and James Robinson, titled "Why Nations Fail", argues that economic prosperity is very much about inclusive institutions based on the rule of law. This is certainly one reason explaining the Swiss successes. But they are also the result of a centuries-long policy of openness towards foreign influence. It is hardly a brave shortcut to say that Italians brought us the art of banking, French of watch-making and Germans food processing. Someone born in Lebanon, Nicolas Hayek, saved our watch-making industry 35 years ago. With one of the largest foreign population in Europe, there is no question Switzerland has depended a lot on foreign workers for its economic development, including so many from this region.

It is therefore our duty, but also our interest to share our know-how and contribute as much as we can to the future prosperity of our continent. It is a priority of the Swiss government to focus on young people, and in particular on their employability. Five weeks ago, an important international conference took place in Switzerland in this connection. The conference was opened by Ms. Jill Biden, the wife of the American Vice-President. Shortly afterwards, a bilateral agreement was signed between Switzerland and the US government on the issue of vocational training. Vocational training, which is often known as dual education system, is the backbone of Switzerland's education system. It ensures that the skills of the people entering the labor market fully match the needs of the economy.

We are developing a program for youth employability in Serbia. In this process, the Swiss Embassy and Cooperation Office have been in contact with several of you. The response has been unanimous: we are all interested in cooperating to enhance the practical skills of young people – and therefore their chance of finding a job. By investing into youth, we are investing into the future. I am grateful to all Swiss companies present here that we can embark on that path together.

I congratulate you once more for this conference and for bringing the Swiss-Serbian Chamber of Commerce to its cruising speed.

Thank you for your attention.