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Swiss bilateral aid to India

It is only a few years ago that the Swiss Confederation has entered the field of bilateral aid, although the Swiss people has been active in it for a long time already. The reason for this is the traditional attitude in Switzerland according to which as much as possible should be left to the private initiative and that the State should interfere only when a task is too big for individual and private organizations to tackle. This attitude also explains that a good part of the funds the Swiss Confederation spends for aid are channeled through private organizations like "Swiss Aid Abroad" a purely non-confessional and neutral body with a wide support among the population of Switzerland.

The Swiss bilateral aid to India has come in the form of technical cooperation and of credit arrangements.

I. Technical cooperation

- 1) In 1963, the Government of India and the Government of Switzerland agreed to collaborate on the creation of a cattle breeding, dairy and agricultural research centre in Madupatty, Kerala. The purpose of the project is to promote the better economical use of the grass-lands in the High Ranges of Kerala by evolving a breed of cattle suitable for the conditions of this type of land and by developing the production of natural fodder. The cattle-breeding programme consists in the crossbreeding of local cattle with Brown Swiss imported from Switzerland.

The results of the project have been encouraging so far : the first and second generations of cross bred cattle have given

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good results. It is only in the long run, however, that a breeding programme can be judged. The fodder development research has given good results also.

In the next few years, the programme will be gradually extended.

The amount spent for this project by the Swiss Technical Cooperation has been of $\$$ mio. $\frac{1.7}{1.469}$ for the period 1963-1968. The Government of India, with the State of Kerala, have participated for an equal amount to the project. Ten Swiss experts work in the project.

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- 2) Since 1964, the Swiss Technical Cooperation has participated in the programme for the rehabilitation of Tibetan refugees in agricultural settlements in Orissa and Mysore State. The Swiss have supplied bulldozers for the clearing of the land and other agricultural equipment, and a Swiss team of agricultural experts have acted as advisers for the development of the settlements. The total number of Tibetan refugees in these settlements of Chandragiri (Orissa), Bylakuppa and Kundgod (Mysore) is a little under 10'000.

In both camps of Chandragiri and Bylakuppa the Swiss Technical Cooperation has also started Tibetan carpet production centres.

- 2) The amount of the Swiss contribution for the settlement of Tibetan refugees in India has been of $\$$ mio. 1.0 out of which $\$$ mio. 0.7 is already spent, for the years 1964 to 1968.

3) Aid channeled through "Swiss Aid Abroad"

Swiss Aid Abroad has been active in India since 1960. This private association does not run any project nor sends any expert, but provides financial assistance to well-led Indian institutions or organizations.

The programme of Swiss Aid Abroad includes mainly assistance

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to fifteen agricultural high schools in Gujarat and Maharashtra, to one irrigation project in Maharashtra and to four projects for the rehabilitation of lepers (in Maharashtra and Orissa). The latter projects are under the leadership of a well-known Indian personality : Shri Baba Amte.

The amount spent by Swiss Aid Abroad for their Indian programme has been of ₹ mio. 1.8 for the years 1960-1963. A little more than half of these funds come from private contribution of Swiss people, the rest (₹ mio. 0.9) comes from Swiss Government sources.

- 4) Aid Channeled through other private institutions :
The Swiss Government contributes to a certain number of other projects. The projects include secondary schools for boys and girls, schools for hospital nurses, hospitals, technical schools. The number of such projects is fifteen. The amount spent from Swiss Government sources for such projects is ₹ mio. 0.6.
- 5) Together with the Canton and Republic of Geneva, the Swiss Government has provided financial assistance to the All India Institute of Medical Sciences in New Delhi.
- 6) The Swiss Government has offered a number of scholarships mainly for highly specialised trainings.
- 7) Besides the actions mentioned above, Swiss private organizations have contributed to a number of development projects all over India. Total assistance given in this way amounted to ₹ mio. 2.1 in 1967.
- 8) Technical assistance has also been provided by Swiss business firms in specific cases of collaboration. For instance, Brown Boveri, a leading firm in the engineering field, has

provided technical assistance to Hindustan Machine Tools in Bangalore. The principal Swiss firms in the chemical and pharmaceutical field like Ciba, Sandoz or (Hoffmann La) Roche have created subsidiaries in India through which technical and scientific know-how is passed. Ciba has also created a research centre in India which, in due time, will help faster Indian earnings of foreign currency. Another example is that of Nestlé, which started production of powder-milk and other food products in India.

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II. Financial Aid

The Government of Swiss Confederation have so far provided transfer credits to the extent of 210 mio. Sw.Frs. (₣ 48.6) for payment to the suppliers in Switzerland for import of capital goods required for India's development programme. Of these, credits to the extent of 175 mio. Sw.Frs. (₣ 40.2) have been made available through a consortium of Swiss Banks. The balance of 35 mio. Sw.Frs. (₣ 8.4) has been provided by the Swiss Government. The credits cover 90% of the F.O.B. value of the goods contracted for and financed under the credits and the balance 10% met by the importers from the free*exchange made available by the Government of India. The contracts are also subject to the approval of the Indian Government and the Swiss authorities.

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It may be added that Switzerland has been an important source for the financial assistance going through the World Bank and the International Development Association, of which India has benefited for a great part. Since 1951 the World Bank has raised 995 mio. Sw.Frs. (₣ 228.7) on the Swiss capital market. Besides, the Swiss Government has lent 52 mio. Sw.Frs. (₣ 11.1) to the International Development Association.

III. In March 1969, the Government of Switzerland have given Sw.Fr. 2.8 mio. (₣ 0.7) to India, in order to buy 10'000 tons of Argentine wheat and to build about a thousand wells in Punjab with the proceeds in rupees from the sale of the wheat in India. This gift has been made under the International Cereals Agreement.