

2021

SECO

A portrait of the State Secretariat
for Economic Affairs



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO



“SECO is responsible for dealing with the key issues of Switzerland’s economic policy. Our aim is to contribute to sustainable economic growth, high employment and fair working conditions. We do this by creating the necessary regulatory, domestic and foreign economic policy framework conditions. Our staff are committed to preserving jobs in Switzerland – and thus to maintaining current and future prosperity. This portrait will give you a glimpse into our diverse tasks and challenges.”

Marie-Gabrielle Ineichen-Fleisch
SECO Director

SECO at a glance

SECO is the federal government's centre of expertise for core issues relating to economic policy. Its aim is to ensure sustainable economic growth, high employment and fair working conditions by providing a stable environment for regulatory, economic and foreign trade policy.

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Labour Directorate

The Labour Directorate is responsible for supervision, management and implementation in the areas of working conditions, public employment services, unemployment insurance and accompanying measures. Fourteen different acts form the basis for the directorate's activities.

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Economic Policy Directorate

The Economic Policy Directorate monitors national and international economic development, identifies the need for economic policy action and analyses federal legislation relevant to the whole economy.

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Foreign Economic Affairs Directorate

The Foreign Economic Affairs Directorate is committed to an open Swiss economy. It safeguards the interests of our economy abroad by promoting free and fair world trade.

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Promotion Activities Directorate

The Promotion Activities Directorate supports the adaptation processes of our SME-driven economy and thus contributes to Switzerland's competitiveness as an economic hub.

22-25

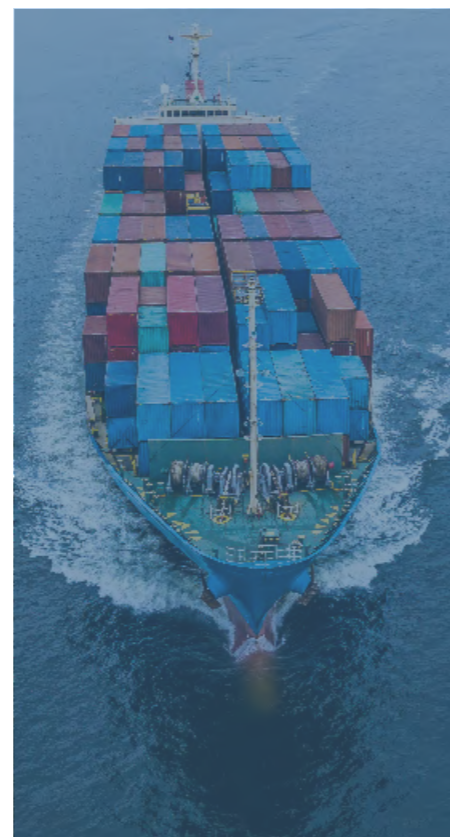
Organisation, Law & Accreditation Directorate

The Organisation, Law & Accreditation Directorate ensures the efficient operation of SECO's business. It is also responsible for enforcing the Unfair Competition Act and accrediting conformity assessment bodies.

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SECO's activities illustrated

Our infographic illustrates the wide range of activities carried out by SECO staff in their everyday work.





Labour Directorate

“The aim of our work is to enable as many people of working age as possible to be engaged in gainful employment under fair, safe and healthy working conditions.”

Boris Zürcher
Head of the Labour Directorate



The Labour Directorate works to ensure clear rules in labour market policy, which includes employee protection, unemployment insurance, employment services and the free movement of persons.

The Labour Directorate works in close collaboration with its social partners and the cantons. The common objective of all the parties involved is to enable as many people of working age as possible to be engaged in gainful employment under healthy conditions, and to earn salaries that enable them to live a dignified life.

Favourable framework conditions

Protecting health is one of SECO's core tasks. Competition and social developments constantly present companies with new challenges. Good framework and working conditions – such as statutory working time and rest periods – are therefore particularly important. These also benefit the Swiss economy as healthy employees are more productive and less likely to miss work days.

Unemployment benefits

Unemployment is directly linked to the economic cycle. It is important to have effective instruments ready for the good times and the bad so as to be able to provide efficient support to those out of

According to the Federal Statistical Office, 84.2 per cent of the Swiss resident population between the ages of 15 and 64 are engaged in gainful employment.

work. The Labour Directorate is responsible for unemployment insurance and public employment services. In cooperation with the cantonal offices and the regional employment centres, unemployment insurance offers unemployed persons an adequate compensatory income and helps jobseekers achieve quick and lasting reintegration into the labour market.

Successful social partnership

A well-functioning social partnership is the cornerstone of Switzerland's successful model. The Directorate provides the necessary framework conditions. It promotes dialogue between the social partners and enables them to play an active role. In enabling collective employment agreements to be declared generally applicable, the state specifically protects social partnership agreements, thus helping to ensure social stability.

Free movement of persons and labour market supervision

Under the Agreement on the Free Movement of Persons (AFMP), Swiss and EU nationals have the right to choose their place of work. With the opening of the Swiss labour market, accompanying measures were set up to protect Swiss and foreign workers from abusive wage practices and working conditions. SECO's observation report ensures a continuous analysis of the impact of the AFMP on the labour market. In addition to supervising the implementation of the accompanying measures, the Directorate also has the key task of combatting illegal employment.

Private employment agencies and temporary recruitment services

The Labour Directorate works together with the cantons to monitor the activities of private employment agencies and temporary recruitment services. These are regulated under the Federal Act on

Employment Services and the Hiring of Services. As such, they require a licence so as to protect jobseekers and recruited workers. The Directorate verifies compliance with the legal requirements to ensure that workers hired through private employment agencies or temporary recruitment services are protected and that there is proper competition between companies.

Commitment to international labour law

The Directorate also promotes respect for workers' rights at the international level. It maintains bilateral contacts with labour ministries, addresses questions relating to the economy and human rights, and supports the promotion of international labour standards. The Labour Directorate represents Switzerland in international bodies such as the International Labour Organization (ILO).

The Labour Directorate's key responsibilities at a glance

- Working conditions
- Unemployment insurance
- Labour market supervision and combatting illegal employment
- Private employment agencies and temporary recruitment services
- Declaring collective employment agreements to be generally applicable
- Matters relating to international labour law

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- www.seco.admin.ch/labour
 - www.work.swiss
 - www.posting.admin.ch
 - www.avg-seco.admin.ch
 - www.nap-bhr.admin.ch

Focus on older workers

Demographic change has a decisive influence on the current and future employment situation on the Swiss labour market. The proportion of the working age population is decreasing. The baby boomer generation is retiring continuously and cannot be compensated by following generations. Older workers are therefore becoming increasingly important for the Swiss labour market.

In this context, it is crucial to make use of the potential supply of available older workers and to ensure their optimal integration until and beyond retirement age. At the same time, developments such as digital transformation pose new challenges, especially for older workers. The education and training system is geared towards a flexible labour market. Switzerland is therefore well placed to meet the challenges of demographic change and digital transformation.

The Federal Council aims to further strengthen the competitiveness of older workers on the labour market in order to ensure the crucial role this age group plays in the Swiss economy is sufficiently recognised. Through education and labour market policy measures it complements existing offers by public employment services and unemployment insurance. These help older workers to re-enter the labour market in case they find themselves out of work. Swiss labour market policy is well equipped to take on the challenges of a changing working environment.



The importance of older workers has steadily increased in recent years.



Economic Policy Directorate

“We provide well-founded economic forecasts and analyses to support the Federal Council, Parliament, the Federal Administration and the public in economic policy decisions.”

Eric Scheidegger
Head of the Economic Policy Directorate



A well-functioning economy requires an economic policy based on reliable analyses. The Economic Policy Directorate prepares scientifically sound forecasts and analyses to support the federal government in its economic policy decisions.

The Economic Policy Directorate analyses and reports on Switzerland's economic development. In so doing, it not only focuses on short- and medium-term business cycles. It also monitors long-term economic developments, and analyses trend growth, productivity developments and other key success factors for a prosperous business location. In addition, the Directorate is responsible for the economy's competition policy framework conditions, for instance by further developing the Cartel Act and the Internal Market Act. The Directorate staff provide the basis for decision-making in the form of analyses of global economic integration and the challenges posed by the digital economy. The Directorate represents Switzerland's position in various economic policy committees of the Organisation for Economic Co-operation and

According to the Federal Statistical Office, Switzerland had a per capita GDP of CHF 84,769 in 2019.

Development (OECD). It also supports policies in sectors such as energy, environment, finance, healthcare and infrastructure. It examines projects from other offices and departments from an economic point of view, and seeks to propose more efficient options.

Focus on economic development

The Economic Policy Directorate monitors the national and international economic situation and analyses current economic developments. It calculates the quarterly trends in Gross Domestic Product (GDP) in accordance with international standards. As part of the Federal Government's Expert Group for economic forecasts, the Directorate prepares forecasts for the Swiss economy. Four times a year, it issues the consumer sentiment survey.

Bases for policy decisions

The Economic Policy Directorate prepares economic bases for decisions regarding labour market policies and uses this expertise to act as an interface between social and economic policies. The issues vary according to existing or emerging challenges. They include fields such as migration, youth unemployment, older workers, female labour market participation, atypical labour relations and education policy issues. Its activities also include analyses of general labour market trends and potential labour market policy instruments. Furthermore, the Directorate evaluates the effectiveness of public employment services and active labour market measures at regular intervals.

As the centre of expertise for regulatory issues, the Economic Policy Directorate is committed to reducing administrative burdens and improving regulation. This provides an effective means of preventing market and state failure and contributes

to sustainable economic growth. The Directorate assists the offices concerned in analysing the economic impact of new or amended acts and ordinances as part of its regulatory impact assessments. In addition, the Directorate is responsible for cross-cutting issues such as the regulatory brake or regulatory costs.

Publications

The Economic Policy Directorate assumes editorial responsibility for the following publications issued by the Federal Department of Economic Affairs, Education and Research (EAER): the magazine 'Die Volkswirtschaft' (available in German and French) and the official gazette portal, through which the Swiss Official Gazette of Commerce (SOGC) and various cantonal official gazettes are published. The Publications section is also responsible for operating and developing the platform simap.ch, which is a central eGovernment application of the Confederation and the cantons.

The Economic Policy Directorate's key responsibilities at a glance

- Labour market and social policy analyses
- Calculation of quarterly GDP figures
- Economic forecasts
- Consumer sentiment
- Regulatory analyses and policy
- Growth and competition policy
- Official and economic publications

- www.seco.admin.ch/economic-policy
- www.sogc.ch
- www.simap.ch

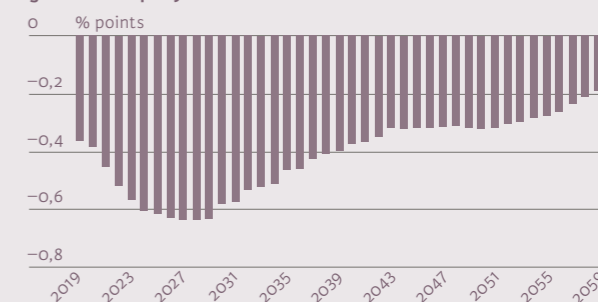
High level of prosperity

With a view to the next legislature period, the Economic Policy Directorate prepared a situation report on the Swiss economy. It shows that the level of GDP per capita and thus the level of prosperity in Switzerland continues to be one of the highest in the OECD. This is possible because Switzerland manages to integrate an extremely high proportion of the population into the labour market while maintaining high labour productivity. In recent years, however, Switzerland's lead has shrunk. Since the 2008/09 financial crisis, the increase in GDP per capita has been below average.

Demographic change will create additional challenges for the economy in the decades to come. By 2045, the number of people who have reached retirement age may have increased by nearly a million. This will not only lead to an increase in healthcare and pension costs, but also to a drop in the proportion of the working age population. It is estimated that, as a result, GDP per capita growth rates will decrease by around 0.5 percentage points per year over the next ten years. Increasing the employment rate of older workers could reduce the impact on GDP per capita.

Increasing labour productivity growth is all the more important in view of the downward impact that population ageing is likely to have on economic growth. Labour productivity growth has been below average since the financial crisis. To make labour markets more dynamic, the situation report identifies a need for action in dismantling market entry hurdles to foster competition, reducing the administrative burden on business and the further opening of Swiss markets to foreign trade. At the same time, the report advocates preserving the following strengths: the quality of infrastructure, the moderate tax burden, the high labour force participation rate and the quality of education and training, but also the economy's comparatively high resilience.

Downward impact of demographic change on GDP per capita growth rate per year





Foreign Economic Affairs Directorate

“We are committed to an open and competitive Swiss economy and to safeguarding the interests of our economy at home and abroad.”

Marie Gabrielle Ineichen Fleisch
Head of the Foreign Economic Affairs Directorate



The Swiss economy has a global focus. The Foreign Economic Affairs Directorate opens up foreign markets for Swiss companies, provides legal certainty for our exporters and is committed to sustainable economic development.

The Foreign Economic Affairs Directorate represents the interests of Switzerland as a business location abroad and ensures that the results of negotiations are implemented in Swiss law. It helps shape global economic framework conditions and represents Switzerland's economic interests in important multilateral organisations, particularly the World Trade Organization (WTO), the European Free Trade Association (EFTA), the Organisation for Economic Co-operation and Development (OECD) and the G20.

International cooperation

We need to develop and maintain good economic policy relations with countries around the world. This is why the Foreign Economic Affairs Directorate represents Switzerland's economic and trade policy interests towards our partners abroad. In

SECO's economic development cooperation is committed to sustainable prosperity in 13 priority countries with over 300 programmes.

doing so, it adheres to the strategic orientation of Swiss foreign economic policy as defined by the Federal Council.

The Directorate works with developing countries, countries in Eastern Europe, the Commonwealth of Independent States and new EU member states to support economic cooperation. It promotes reliable economic framework conditions and innovative private-sector initiatives. This allows people and companies to access markets, which in turn creates decent employment and other opportunities. In the long term, the Directorate contributes to economic growth and sustainable prosperity in its partner countries. In order to increase its effectiveness, the Directorate works together with international institutions including the World Bank Group, the regional development banks and the United Nations Conference on Trade and Development. It represents the interests of Switzerland in these institutions.

International network

At present, in addition to the EFTA convention and the free trade agreement with the EU, Switzerland has a network of 30 free trade agreements with 40 partners. Barrier-free market access is of key importance, not only for multinational companies, but for the economy as a whole. 70 per cent of Swiss SMEs operate across borders as exporters, suppliers or investors.

This gives exporting companies better market opportunities, while making it easier to import products. This benefits both manufacturing companies (less expensive input materials) and consumers (lower prices and a larger variety of products). With every new free trade agreement, Switzerland also promotes international

standards such as trade related provisions on environmental protection and labour standards as well as general human rights standards.

Important export controls

As an export-oriented country, Switzerland has traditionally been an advocate of open markets and free trade worldwide. However, in the case of certain categories of goods, controls of exports, imports and the transit of goods are required for security policy reasons. In times of international tension, Switzerland can ban the export, import and transit of goods from Switzerland or to certain countries.

The Foreign Economic Affairs Directorate is responsible for controlling exports of war materials and dual-use goods. It also adopts coercive measures to implement sanctions imposed by the UN, the OSCE or Switzerland's key trading partners.

The Foreign Economic Affairs Directorate's key responsibilities at a glance

- Foreign economic expertise
- Bilateral economic relations
- World trade
- Economic cooperation and development

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- www.seco.admin.ch/foreign-trade
 - www.seco-cooperation.admin.ch
 - www.efta.int
 - www.wto.org

Sustainable poverty reductions

In 2020, the EAER and the FDFA presented the Federal Council and Parliament with the Dispatch on Switzerland's Strategy for International Cooperation (IC Strategy) 2021–2024. Within the framework of the IC Strategy, SECO focuses on economic development cooperation in accordance with its core competencies. Sustainable economic growth is the most effective remedy against poverty.

SECO takes sustainability, environmental and social standards into account in its programmes. For example, it supports the development and implementation of CO₂ price mechanisms that provide incentives to companies to switch to low-emission production processes. For SECO, environmental protection, labour law and biodiversity are integral parts of a forward-looking trade policy that uses international trade to fight poverty and promote development.

SECO operates where it can address the needs of partner countries and provide added value. It focuses its activities on thirteen priority countries, which, in turn, play a pivotal role in fostering economic development and political stability in their regions.

Commitment to a strong multilateralism

In a second dispatch, also submitted in 2020, the EAER and the FDFA, submitted a request to the Federal Council and Parliament for Switzerland to contribute nearly CHF 300 million to capital increases at the World Bank Group and the African Development Bank. The two banks are among Switzerland's priority multilateral organisations in the IC Strategy. They play a key role in implementing the 2030 Agenda for Sustainable Development. They increase the multiplier effect of SECO's activities and help to address global challenges. For example, SECO works with the World Bank to ensure that people and companies in the Gorno-Badakhshan province of Tajikistan receive a reliable and sustainable supply of electricity.



Within the framework of the 'Better Work' programme, SECO supports export companies in the textile and clothing industry (here a factory in Vietnam) to comply with international labour standards.



Promotion Activities Directorate

“Switzerland’s economy has important global players, but above all it is driven by small and medium-sized enterprises. Here we are under great international pressure to keep up to speed in terms of innovation. Reliable framework conditions and targeted support measures are therefore all the more important.”

Eric Jakob
Head of the Promotion Activities Directorate



Promotion Activities Directorate

Swiss companies must respond to global competition on a daily basis. The Promotion Activities Directorate provides support to companies, benefiting the economy as a whole.

Over 99 per cent of companies in Switzerland are small and medium-sized enterprises (SMEs). They employ two thirds of the working population and are therefore often regarded as the backbone of our economy. SMEs are often heavily affected by administrative burdens and structural changes. The Promotion Activities Directorate helps improve the framework conditions for SMEs, facilitates access to financing and provides specific funding instruments to help boost their economic performance. In doing so, it seeks to harness the opportunities offered by digital transformation.

For exporters and investors

The Swiss economy is heavily dependent on foreign trade. The Directorate helps Swiss companies that export goods and services. Switzerland Global Enterprise (S-GE), mandated by SECO, supports SMEs in accessing and positioning themselves in foreign markets.

In 2019, SECO, together with the cantons, agreed to finance 361 projects as part of the New Regional Policy.

The Directorate also supervises the Swiss Export Risk Insurance (SERV), which provides Swiss companies with insurance against economic and political risks for their export business.

Switzerland requires good macroeconomic framework conditions to remain an attractive business location on the international stage and to help foreign companies locate to Switzerland (direct investments). These include a flexible labour market, a highly qualified workforce and a moderate tax burden. However, this alone is not enough. As part of its location promotion activities, the federal government and the cantons – via S-GE – provide potential investors with all the important facts about what Switzerland has to offer as a location for business and research, and advise them on sustainable location opportunities in Switzerland.

Promoting regions for a stronger Switzerland

The Directorate supports structurally disadvantaged areas in rural areas and in mountain and border regions, and strengthens their competitiveness. It provides grants and loans to promote projects linked to innovation, cooperation, knowledge transfer and key infrastructure in accordance with the New Regional Policy (NRP). The aim is to improve the quality of the regions as a business location. The NRP also sets out incentives for inter-cantonal and cross-border cooperation in functional areas to make better use of their potential

for economic development. Regional policy thus contributes to coherent spatial development.

Tourism has huge significance for the Swiss economy, especially in the Alpine region. For this reason, the Directorate creates favourable framework conditions for tourism businesses. It supports innovation and investment activities as well as cooperation and knowledge building in the Swiss tourism sector. The Directorate also promotes the marketing of Switzerland as a travel destination through a mandate to Switzerland Tourism, and supports the hotel and lodging industry through a mandate to the Swiss Association for Hotel Credit.



The practical online service desk

Since the end of 2017, the EasyGov.swiss business portal has been at the centre of SME Policy. In the long term, EasyGov aims to enable companies to access all available government services efficiently and securely online at all federal levels. EasyGov services are intended for existing companies, start-ups, and anyone setting up a new business. The latter can directly register their company in the Commercial Register, or for old-age and survivors' insurance, VAT or accident insurance. Existing companies can simply enter their UID number to connect with EasyGov and use government services.

EasyGov is part of the eGovernment Strategy Switzerland of the Confederation, the cantons and the communes, which works with business representatives to cut red tape for SMEs. In the 2020–2023 legislature period, the Directorate plans to continue optimising the platform and expand the range of administrative services available.

The administrative services available on EasyGov are set up in such a way that users do not specifically need to know which authority is being addressed.

As part of the second National eGovernment Study, the Directorate surveyed companies to get to know their needs. 60 per cent of respondents stated that their greatest difficulty in using online offers is actually finding them. EasyGov's main aim is therefore to bring together all administrative services on one platform. The intention is to develop the platform as a one-stop-shop where companies can access all available services using a single account with a standard user environment. That way businesses would only need to enter company data such as addresses or their commercial register number once.

The Promotion Activities Directorate's key responsibilities at a glance

- SME policy
- Export promotion
- Location promotion
- Regional and spatial planning policy
- Tourism policy

- www.seco.admin.ch/promotion-activites
- www.kmu.admin.ch
- www.easygov.swiss
- www.serv-ch.com
- www.s-ge.com
- www.myswitzerland.com

Organisation, Law & Accreditation Directorate

“We are committed to fair competition for all market players and to reliable and high-quality products. We intervene when collective interests are affected and use our instruments to strengthen quality and confidence.”

Catherine Cudré-Mauroux
Head of the Organisation, Law and Accreditation Directorate



Organisation, Law & Accreditation Directorate

The Organisation, Law & Accreditation Directorate ensures the efficient operation of SECO's business. The Swiss Accreditation Service SAS examines and accredits conformity assessment bodies.

In addition to the traditional legal services provided by the Organisation, Law & Accreditation Directorate, SECO exercises the federal government's right to take legal action in accordance with the Unfair Competition Act (UCA). The Directorate also represents Switzerland's interests within the ICPEN, the International Consumer Protection and Enforcement Network, particularly with regard to internet scams. The Directorate furthermore provides the general public with relevant recommendations and advice, and it monitors cantonal implementation of the Price Indication Ordinance (PIO). The Directorate

In 2019, SECO received more than 13,500 complaints regarding unfair business practices such as misleading online shopping offers and receiving telemarketing calls despite indicating under their phonebook entry that unsolicited calls are unwelcome.

coordinates cantonal measures and licensing procedures for travelling trades, fairgrounds and circuses.

800 staff

The Directorate coordinates several thousand items of official business every year. It ensures that SECO's business for the Federal Council and Parliament are processed smoothly. It also ensures that SECO is able to adopt a timely position on matters from other federal departments as part of consultation proceedings. The Human Resources section looks after roughly 800 staff in Switzerland and abroad, and plays an active role in building SECO's image as an attractive employer.

In the area of finance, the Directorate manages an annual budget of around CHF 1 billion and processes around 20,000 financial documents. The IT and Information Management section provides IT support for staff and provides information management services. The Logistics section ensures staff have a safe working environment and are supplied with appropriate office equipment, allowing them to carry out their work efficiently. The Directorate is also responsible for controlling and the coordination of risk management at federal office level.

For quality and trade

The Swiss Accreditation Service SAS examines and accredits calibration and testing laboratories, inspection and certification bodies, reference material producers and proficiency testing providers. Accreditation formally acknowledges the competence of

a body to execute conformity assessments according to specified requirements. The aim of accreditation is to strengthen confidence in the competence and services of the accredited bodies. The assessments carried out by these bodies in turn reliably guarantee the quality and safety of the tested products and services. They also ensure that products and services meet minimum technical standards and the regulatory requirements. The SAS functions under the supervision of the State Secretariat of Economic Affairs (SECO). However, it takes decisions concerning accreditation independently and autonomously – in accordance with the applicable national and international requirements.



New standards

A good 500 laboratories or 70 per cent of all SAS-accredited conformity assessment bodies are accredited according to the International Standard ISO/IEC 17025. With the publication of the new Standard ISO/IEC 17025:2017, the expiration date of the previous Standard ISO/IEC 17025:2005 was set to 30 November 2020 as a basis for accreditation.

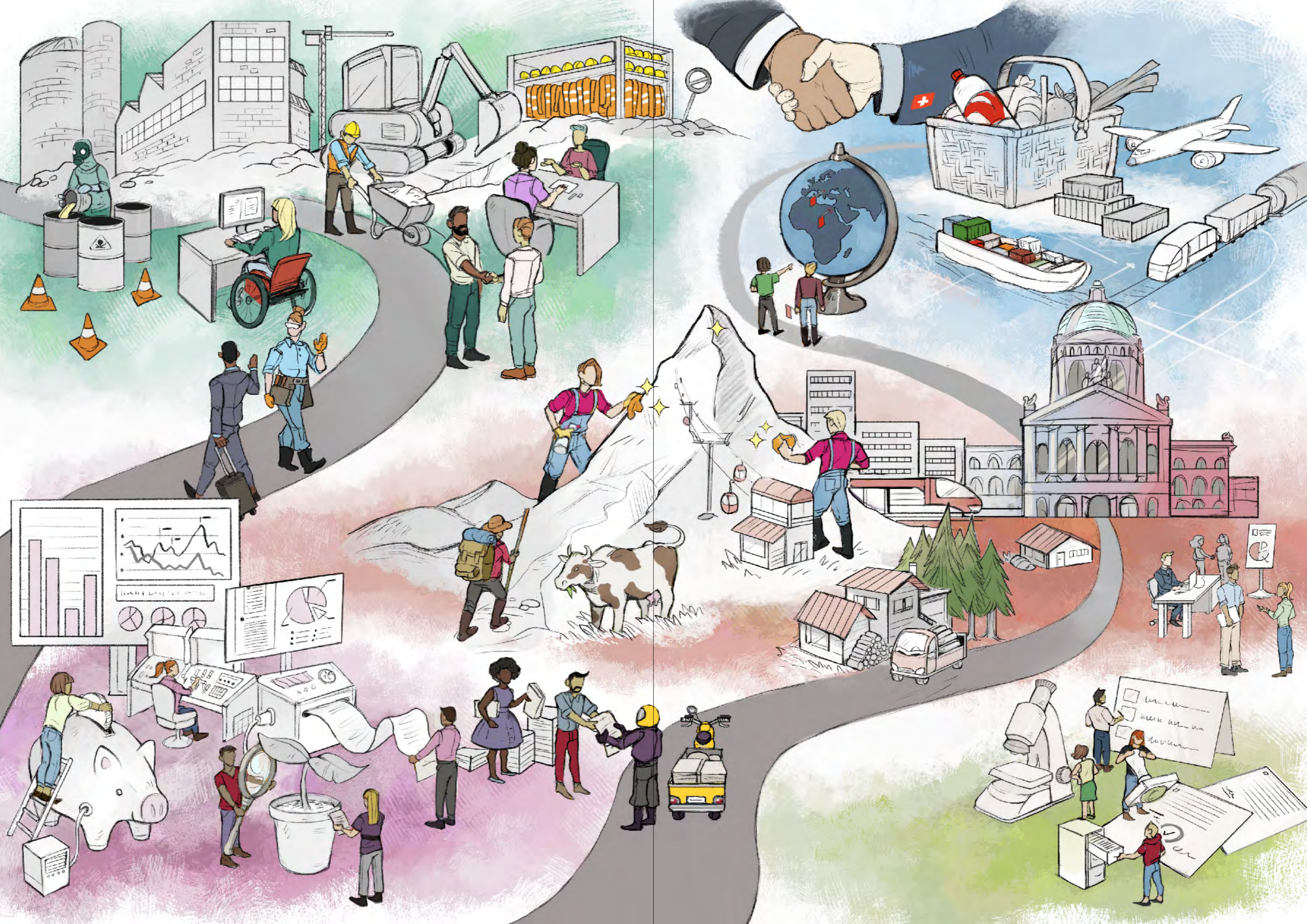
The aim of ISO/IEC 17025 is to promote confidence in the work of testing and calibration laboratories. The verifiable requirements contained in the standard allow laboratories to demonstrate that they are sufficiently competent and impartial and that they are capable of delivering valid results. If measuring instruments are used for quality-relevant processes, they must be calibrated. This helps avoid measurement errors, thus increasing the safety of production processes and improving product quality.

Reliable testing laboratories provide essential services for numerous industries including construction, transport, renewable energies, product and installation safety, telecommunications, electromagnetic compatibility, metrology, chemistry and environment, agriculture, consumer health protection, healthcare and forensics. The confidence in the work performed by accredited laboratories contributes to quality of life and a competitive economy.

The Organisation, Law & Accreditation Directorate's key responsibilities at a glance

- Accreditation of conformity assessment bodies
- Business management
- IT and information management
- Logistics
- Financial resource management
- Human resource management
- Legal services and implementation (UCA and PIO as well as travelling trades)
- Risk management

- www.seco.admin.ch/advertising-methods-business-practices
- www.sas.admin.ch



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