Priority sectors for the Swiss Agency for Development and Cooperation (SDC) and for the State Secretariat for Economic Affairs (SECO) are agriculture and food security; health; water; climate change; and migration. Over 7.5% of Switzerland’s aid budget is allocated to water projects and programmes and nearly 65% of SDC’s water budget is allocated to WASH.

SDC has a number of programmes that focus on decentralisation within focus countries and these programmes include a larger, cross-sectoral agenda; some will include a WASH component.

The development programme of the SECO focuses more on Middle Income Countries while the target group of SDC’s work is mainly the rural populations in Low Income Countries. Most aid is delivered directly through partner organisations; nearly 20% of aid is delivered through multilateral organisations. There is pressure to reduce the number of countries and sectors that SDC works in.

**Specific Target**

The Swiss Parliament raised the aid budget in 2011 to 0.5% of GDP. For 2011 and 2012 the additional funding was dedicated to water and climate change, known as ‘the 0.5% bill’, which SDC has to report against separately. Spending targets for Switzerland’s WASH aid are CHF145 million in 2013; CHF150 million in 2014; CHF150 million in 2015; and CHF150 million in 2016.

Drinking water remains the main priority, however sanitation and hygiene received increasing attention in SDC and SECO’s agenda. There are some programmes that have a specific sanitation focus such as the Global Sanitation Fund implemented by WSSCC (SDC) or building of wastewater treatment plants (SECO in Tunisia, Egypt, Peru, Albania, Bosnia, Kosovo, Macedonia, Kyrgyzstan, Tajikistan and Vietnam).

Most of SDC’s projects include hygiene promotion programmes integrated with drinking water and sanitation programmes. However SDC’s global program has piloted an innovative hand-washing campaign in India and is now testing the concept in Africa (rural Burundi & urban context in Zimbabwe). In addition to the provision of infrastructure, SECO systematically supports related institutional strengthening activities, corporate development of the water companies and policy dialogue initiative that will improve the sustainability of the operation of the water infrastructure.

SDC is piloting wastewater treatment plants for rural small towns and for waste water reuse for agriculture. SECO is engaged in wastewater management in urban settlements.

**Examples of Success**

SDC developed a successful rural WASH implementation model in Nicaragua that catalysed investment by the government and the World Bank. In Peru, SDC piloted a decentralised, integrated implementing mechanism for investments in water and sanitation services. This approach was adopted by the government as the implementing model for decentralized service provision and rolled out country-wide with massive government and multilateral funding with consequent leverage and scaling up effects.

The positive outcomes of the application of corporate development measures are perceivable for a sustainable management of the water utilities, notably in SECO projects in Macedonia and Kyrgyzstan where this approach is applied together with the introduction of new water investment programs. In the city of Khujand (Tajikistan), the payment collection rate increased from 60% to 84% despite substantial tariff increases, and the public utility results increased from a loss of EUR 752,000 to a profit of EUR 53,100 within two years.

**WASH Aid Priorities: Distribution of Aid Commitments (2010–2012)**

![Map showing distribution of aid commitments by income group and MDG region](http://www.who.int/water_sanitation_health/glaas/en/)

- **Least Developed Country**: 28%
- **Other Low Income**: 31%
- **Lower Middle Income**: 13%
- **Upper Middle Income**: 13%
- **NORTHERN AFRICA**: 10%
- **SUB-SAHARIAN AFRICA**: 7%
- **LATIN AMERICA AND CARIBBEAN**: 7%
- **EASTERN ASIA**: 5%
- **SOUTHERN ASIA**: 4%
- **SOUTHEASTERN ASIA**: 1%
- **OCEANIA**: 0%
- **WESTERN ASIA**: 0%
- **CAFCAUSUS AND CENTRAL ASIA**: 0%
- **DEVELOPED COUNTRIES**: 0%
- **NOT APPLICABLE**: 52%

**Note**: An additional 42% of Swiss sanitation and water ODA is targeted to sector or multi-country programmes.

Source: OECD-CRS, 2014
Reporting
SDC and SECO report expenditures in the annual report of Swiss cooperation. In 2008 a Report on effectiveness in the Water Sector was developed. A report on the results of the increased funding for water through the ODA increase up to 0.5% of GDP will be made in December 2014.

Mutual Assessment Exercises
Carried out in Moldova, Ukraine, Kosovo, Mozambique, Honduras, Nicaragua, Peru.

Sector budget support may be considered in some countries where SDC has a long-standing presence and sector collaboration. For example in Nicaragua, SDC supports the Social Investment Fund that directs funds to WASH in rural areas against set criteria. Half of programmes supported by SDC and SECO are three to five years in length while 40% are of less than three years duration. SECO has a programmatic approach in countries where it has a long-standing presence (e.g. Albania, Macedonia, Central Asia).

FOCUS ON EQUITY
SDC funding tends to target rural more than urban populations.
Generally SDC support is focused on poor, rural communities whereas SECO focuses on urban services, institutional strengthening and national water policy dialogue. Marginalized groups and people living with disabilities are identified and taken into account at the programming stage. SDC has been one of the core advocates for the Human Right to Water and Sanitation and is currently developing practical tools and guidance on how to foster the rights based approach in the WASH sector.

FUNDING ALLOCATION

WASH AID COMMITMENTS AND DISBURSEMENTS, CONSTANT 2011 (US$ MILLION)

Source: OECD-CRS, 2014

TEN HIGHEST WASH AID RECIPIENTS, RANKED BY AVERAGE COMMITMENTS, 2010–2012 (US$ MILLION)

Source: OECD-CRS, 2014

Sanitation and Water for All (SWA) High-Level Meeting (HLM)

ACCOUNTABILITY

Reporting

PREDICTABILITY

Reporting

FOCUS ON EQUITY

Reporting

ALIGNMENT AND HARMONISATION

In the future, the issue of corporate development of the water companies will be increasingly supported by SECO in order to improve the financial and operational sustainability of the water infrastructure. In particular, SECO is developing similar projects in Colombia and Peru.

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